

September 5, 2022

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.
Company Scrip Code: - 500189

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai-400 051.
Company Script Code: NXTDIGITAL

Dear Sir / Madam,

Sub: Submission of the Annual Report for the Financial Year 2021-22 and Notice of ensuing 37th Annual General Meeting of the shareholders of the Company.

Ref: Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report for the financial year 2021-22 of NXTDIGITAL Limited (“the Company”) and Notice of ensuing 37th Annual General Meeting (“AGM”) being sent to the Shareholders of the Company.

The said Annual Report and Notice have been made available on the Company’s website at <https://www.nxtdigital.co.in/investors/annual-reports/> and on the website of the National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com>. The same has been sent to all the eligible shareholders by email whose email IDs are registered with the Company/Depositories.

Please note that the AGM will be held on Tuesday, September 27, 2022 at 3:00 p.m. (IST) through Video Conference (VC)/ Other Audio Visual Means (OAVM). The Company has fixed Tuesday, September 20, 2022 as the cut-off date to determine the eligibility of Shareholders to vote by electronic means (i.e., remote e-voting) and e-voting during the AGM. The e-voting facility will be provided by National Securities Depository Limited (NSDL) during the period as detailed hereunder:

Commencement of e-Voting	Friday, September 23, 2022 from 9.00 a.m. (IST)
End of e-Voting	Monday, September 26, 2022 till 5.00 p.m. (IST)

Kindly take the above on your record.

Thanking you.
Yours faithfully,
For NXTDIGITAL LIMITED

Ashish Pandey
Company Secretary

Encl: As stated above



(Formerly known as Hinduja Ventures Limited)

Registered Office: IN CENTRE, 49/50 MIDC, 12th Road, Andheri (E), Mumbai - 400 093.

T: +91 - 22 - 2820 8585 W: www.nxtdigital.co.in CIN. No.: L51900MH1985PLC036896





Corporate Identity Number (CIN): L51900MH1985PLC036896

Registered Office: IN CENTRE, 49/50 MIDC 12th Road,
Andheri (E) Mumbai- 400093

Tel: (+91 22) 2820 8585; **Website:** www.nxtdigital.co.in;

Email: investorgrievances@nxtdigital.in

NOTICE

NOTICE is hereby given that the 37th (Thirty Seventh) Annual General Meeting of the Members of NXTDIGITAL Limited will be held on Tuesday, September 27, 2022 at 3:00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Board of Directors and the Auditors thereon including Annexures thereto.
2. To declare a Dividend of ₹ 4/- per equity share (face value of ₹ 10/- per share) for the Financial Year ended March 31, 2022.
3. To reappoint Mr. Sudhanshu Kumar Tripathi (DIN: 06431686), who retires by rotation, as a Director-Non-Executive and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sudhanshu Kumar Tripathi (DIN: 06431686), who retires by rotation at this meeting, be and is hereby reappointed as a Director - Non-Executive of the Company, liable to retire by rotation.”

4. To appoint Joint Statutory Auditors and to fix their remuneration.

To consider, and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being

in force), M/s. S K Patodia & Associates, Chartered Accountants (Firm Registration No. 112723W), be and is hereby appointed as one of the Joint Statutory Auditor of the Company, to hold office for a period of 3 (three) consecutive years commencing from the conclusion of this 37th Annual General Meeting until the conclusion of the 40th Annual General Meeting of the Company, at such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Audit Committee and/or Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for implementing and giving effect to this resolution.”

SPECIAL BUSINESS:

5. **Ratification of Cost Auditor's Remuneration.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Members hereby ratify a remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of actual out of pocket expenses, if any, to M/s. ABK & Associates, Cost Accountants (Firm Registration No: 000036), who were appointed as Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023.”

“RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof), to do all such acts,

deeds, matters and things and to take all such steps as may be required in this connection including all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. Alteration of Memorandum of Association of the Company.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 including any statutory modifications, re-enactment or amendments thereof and applicable regulations of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as amended from time to time and subject to the requisite approval of such other competent authority, as may be applicable, consent of the Members be and is hereby accorded for effecting the alterations in the existing Main Object Clause of the Memorandum of Association of the Company by inserting the following clause before the existing clause 1 of Memorandum of Association of the Company:

1. (a) To carry on and undertake business as Financiers to finance operations of all kinds such as purchasing, selling, hiring, letting on hire, and dealing in all kinds of property, moveable or immovable, goods, chattels, motor-cars, motor-buses, motor lorries.
- (b) To purchase or otherwise acquire dominion over all forms of immovable and movable property including machinery, equipment, motor vehicles, ships, aeroplanes and all consumer and industrial items and to hire, leases or otherwise deal with them in any manner whosoever including resale thereof, regardless of whether the property purchased and leased be new and/or used.
- (c) To do Hire Purchase Finance of all types of products and materials including motor vehicles, machinery and to lend money on security on movable or immovable property or properties or any shares of any nature with or without security and negotiate loans.
- (d) To carry on and become engaged in financial, monetary and other business

transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and capitalists and also in leasing or letting on hire any property movable or immovable.

- (e) To undertake and carry out and, in particular, the financing Hire Purchase contracts, or agreements relating to property or assets of any description, either fixed or movable, such as houses, lands, vehicles, Government Bonds.
- (f) To lend, with or without security, deposit or advance money, securities and property to, or with such persons and on such terms as may seem expedient.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee) thereof be and are hereby authorized, to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, modifications, applications, returns and writings as may be necessary, proper, desirable or expedient.”

By order of the Board of Directors

Ashish Pandey
Company Secretary

Place: Mumbai
Date: August 27, 2022

Registered Office:
IN CENTRE, 49/50, MIDC, 12th Road
Andheri (East), Mumbai - 400 093

Annexure I to the Notice

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out material facts relating to the special business mentioned under Item No. 5 and 6 of the accompanying Notice and should be taken as forming part of the Notice. An explanatory statement in relation to Item No. 4 is also furnished and forming part of the Notice:

Item No. 4:

The Board of Directors at their meeting held on August 27, 2022, on the recommendation of the Audit Committee, has appointed M/s. S K Patodia

& Associates, Chartered Accountants (Firm Registration No. 112723W) as Joint Statutory Auditors of the Company for a period of three years commencing from the conclusion of ensuing 37th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company, at such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Audit Committee and/or Board of Directors of the Company. Such appointment of Joint Statutory Auditors arises in view of increased volume of audit work being handled by the current Statutory Auditors M/s. Haribhakti & Co. LLP, Chartered Accountants in the Company.

M/s. S K Patodia & Associates, Chartered Accountants (Firm Registration No. 112723W) has confirmed their eligibility for appointment as a Joint Statutory Auditors of the Company. They have further confirmed that they are not disqualified to be appointed as the Joint Statutory Auditors in terms of the provisions of the Act and the rules made thereunder.

M/s. S K Patodia & Associates (Chartered Accountants) (Firm Registration No. 112723W) was set up in 1992, presently the firm has a team of committed professionals with specialized skills serving a range of business needs, believing strongly in creating and adding value to their clients' business. The firm comprising 18 partners and has a strong team of +600 approx. personnel. The firm is empanelled with the various Government and Regulatory Bodies and banks.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for the appointment of M/s. S K Patodia & Associates, Chartered Accountants as a Joint Statutory Auditors of the Company and to fix their remuneration as set out at Item No. 4 of this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

Item No. 5:

The Board of Directors of the Company at its meeting held on May 18, 2022, on recommendation of the Audit Committee, had appointed M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036), to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023. M/s. ABK & Associates, Cost Accountants had submitted a letter regarding their eligibility for appointment as cost auditors.

The Board of Directors has, subject to the ratification by the Members at this Annual General Meeting,

determined the remuneration of the cost auditors at ₹ 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes as applicable and reimbursement of actual out of pocket expenses, if any, incurred by them and approved by the Company in connection with the cost audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors shall be ratified by the Members of the Company.

Your Directors recommend the resolution set out at Item No. 5 of this Notice for ratification by the Members by way of an ordinary resolution.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

Item No. 6:

At present, the Company is engaged in the business of providing services of Digital, Media & Communications and dealing in Real Estate. In view of the proposed Merger of Hinduja Leyland Finance Limited, a Non-Banking Financial Company with the Company, the main business activity of the Company will need to change to providing financial services and other allied activities. The existing Memorandum of Association does not have as part of its main object clauses provisions which allows the Company to carry on the business of providing financial services. An alteration of Memorandum of Association of the Company is therefore required by adding the suitable new object clauses. Under Section 13 of the Companies Act, 2013, such alternation in the Memorandum of Association of the Company requires approval of Members by way of a Special Resolution.

Your Directors recommend the resolution set out at Item No. 6 of this Notice for approval by the Members by way of a special resolution.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

By order of the Board of Directors

Ashish Pandey
Company Secretary

Place: Mumbai
Date: August 27, 2022

Registered Office:

IN CENTRE, 49/50, MIDC, 12th Road
Andheri (East), Mumbai - 400 093

Annexure II to the Notice

a) Details of Director seeking re-appointment pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2

Name of Director	Mr. Sudhanshu Kumar Tripathi
DIN	06431686
Date of Birth	June 07, 1959
Age	63 Years
Qualification	B.E., MBA
Expertise in specific functional area	Mr. Sudhanshu Tripathi is a member of Hinduja Group's apex Global Leadership. Apart from collective leadership responsibilities, he oversees: i) Board Governance, effectiveness and assessment process ii) Group Human Capital Strategy & Execution iii) Group leadership lifecycle. He is Director on Board of GOCL Corporation Ltd., Hinduja Global Solutions Ltd., Hinduja Leyland Finance Ltd. and IDL Explosive Ltd. He is a seasoned HR professional with over 36 years of work experience; 23 of them at leadership level. He has had direct exposure of Telecom, IT, Engineering, Metal, Power, Financial Sources, Media and other diversified domains and brings a strong business perspective to his work. He has worked as a shop floor Engineer, IT Specialist, Management Development Professional before choosing HR as career. He specializes in very large and diversified multi location conglomerates.
Terms and Conditions	Retire by rotation:
	<ul style="list-style-type: none"> • Liable to retire by rotation.
	Duties:
	<ul style="list-style-type: none"> • To adhere as provided under Section 166 of the Act.
	Code of Conduct:
	<ul style="list-style-type: none"> • Abide by the Code of Conduct devised by the Company.
	Remuneration:
	<ul style="list-style-type: none"> • Sitting Fees for attending each meeting of Board of Directors and Committees of the Board thereof. • Re-imbursment of travelling expenses and other out of pocket expenses in attending the meeting of Board of Directors or Committees thereof.
Board Membership of other listed Companies as on March 31, 2022	<ul style="list-style-type: none"> • GOCL Corporation Limited • Hinduja Global Solutions Limited
Date of first appointment on the Board	August 4, 2015
No. of shares held in Company	NIL
Relationships between Directors / KMP's inter-se	None
Number of Meetings of the Board attended during the year 2021-2022	(Seven) 7
Directorships held in other Companies (excludes foreign companies, private companies, and alternate directorship)	<ul style="list-style-type: none"> • Hinduja Leyland Finance Limited • IDL Explosives Limited • GOCL Corporation Limited • Hinduja Global Solutions Limited
Membership/Chairmanship of other Public Companies (include only Audit Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee)	Audit Committee:
	<ul style="list-style-type: none"> • GOCL Corporation Limited • IDL Explosives Limited
	Stakeholder Relationship Committee:
	<ul style="list-style-type: none"> • Hinduja Leyland Finance Limited • GOCL Corporation Limited • Hinduja Global Solutions Limited
	Corporate Social Responsibility Committee:
	<ul style="list-style-type: none"> • Hinduja Leyland Finance Limited • IDL Explosives Limited • GOCL Corporation Limited • Hinduja Global Solutions Limited

Notes:

1. In view of the massive outbreak of COVID-19 pandemic, social distancing norm has to be followed and the Ministry of Corporate Affairs (“MCA”) vide its circular dated May 05, 2020 read with circulars dated April 8, 2020 and April 13, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 (collectively referred to as “MCA Circulars”) and Securities & Exchange Board of India (“SEBI”) vide its circular dated May 12, 2020, January 15, 2021 and May 13, 2022 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
2. The Explanatory Statement pursuant to Section 102 of the Act in respect of the special business set out at Item Nos. 5 and 6 of this Notice and an ordinary business as set out at item No. 4 of this Notice is annexed as **Annexure I**. The relevant details as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 (“SS-2”) on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking reappointment under Item No. 3. of Notice at this AGM is annexed as **Annexure II**.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to rupal@csrdj.com with a copy marked to einward.ris@kfintech.com.
5. The Company has fixed Friday, September 16, 2022 as the “Record Date” for determining entitlement of Members to Dividend for the financial year ended March 31, 2022, if approved at the AGM.
6. Dividend on equity shares for the financial year ended March 31, 2022, as recommended by the Board of Directors, if approved at the 37th AGM, subject to the deduction of tax at source will be paid on or before stipulated time.

In respect of equity shares held in physical form, to all those Members whose names are on the Company’s Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, September 16, 2022.

In respect of equity shares held in electronic form, to all beneficial owners of the shares, as per details furnished by the Depositories for this purpose, as of the close of business hours on Friday, September 16, 2022.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 17, 2022 to Tuesday, September 27, 2022 (both dates inclusive).
8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at https://nxtdigital.co.in/contents/static/uploads/inv/investors-assistance/Form_ISR-4.pdf and on the website of the Company’s Registrar and Transfer Agents, KFin Technologies Limited (“KFIN”) (formerly known as KFin Technologies Private Limited) at einward.ris@kfintech.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
9. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical

shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFIN for assistance in this regard.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFIN, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
11. As per the provisions of Section 72 of the Act and SEBI Circular dated November 3, 2021, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.nxtdigital.co.in/investors/investors-assistance/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to KFIN in case the shares are held in physical form.

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at <https://www.nxtdigital.co.in/investors/investors-assistance/>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.

Non-registration of KYC, Bank account details and nomination details by the physical shareholders on or before March 31, 2023 will result in freezing of the folio of the physical shareholders by RTA – KFIN and same shall be reverted to the normal status only upon receipt of all the KYC and nomination details/dematerialization of such holdings.

12. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their

DPs in case the shares are held by them in electronic form and with KFIN in case the shares are held by them in physical form.

13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
14. Any query relating to financial statements must be sent to the Company's registered email id at investorgreivances@nxtdigital.in or at the Company's registered office at least seven days before the date of the AGM. The same will be replied by the Company suitably.
15. Members holding shares in demat form are hereby informed that bank registered with their respective Depository Participant with whom they maintain their account will be used by the Company for the payment of the dividend.
16. Members are requested to intimate, indicating their folio number or Depository Participant (DP) ID and Client ID Numbers, the changes, if any, pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, e-mail address, contact numbers, etc., to their DP in case the shares are in dematerialized form; and in case, shares are held in physical form to the Company's Registrar and Share Transfer Agent (RTA), KFin Technologies Limited ("KFIN") (formerly known as KFin Technologies Private Limited), Selenium Tower B, Plot Nos. 31 & 32 | Financial District, Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | India P: +91 40 6716 1525, E-mail: premkumar.nair@kfintech.com or einward.ris@kfintech.com.

Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's RTA, KFIN to provide efficient and better services for payment of dividend.

17. Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, as per Section 124(6) of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, all shares in respect of which dividend has not been paid/claimed for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF. In view of this, Members

who have so far not encashed their dividend warrants for the financial year 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 are requested to make their claims forthwith to KFIN.

18. Pursuant to provisions of Sections 124 and 125 of the Act read with the IEPF Rules, dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Details of Unpaid/ unclaimed dividend transferred to IEPF are as under:

Sr. No.	Unpaid / Unclaimed dividend for financial year	Date of Transfer	Amount transferred to IEPF (₹)
1	2005-2006	November 27, 2014	2,95,910
2	2007-2008 (Interim)	June 10, 2015	2,34,930
3	2008-2009	September 20, 2016	2,16,310
4	2009-2010	September 14, 2017	1,78,520
5	2010-2011	September 28, 2018	2,20,313
6	2011-2012	October 01, 2019	3,25,785
7	2012-2013	September 15, 2020	2,66,780
8	2013-2014	November 10, 2021	3,57,240

19. The Members at the Thirtieth Annual General Meeting of the Company held on September 23, 2015, had declared a final dividend of ₹ 15/- per share for the financial year ended March 31, 2015. The unclaimed/ unpaid dividend for the financial year 2014-15 amounting to ₹ 4,09,860/- (Rupees Four Lacs Nine Thousand Eight Hundred and Sixty Only), which remained unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer into Unpaid Dividend Account is liable to be transferred to Investor Education Protection Fund (“IEPF”) in October, 2022. The unclaimed / unpaid dividend declared for the financial year 2014-15 and shares on which dividend has remained unpaid/ unclaimed for the past seven consecutive years aggregating to 292 shares shall be transferred by the Company to IEPF in October, 2022. The Company has also uploaded the details of unpaid and unclaimed amounts lying with Company (i.e. date of last AGM of the

Company) on the website of the Company i.e. www.nxtdigital.co.in and also filed the same with Ministry of Corporate Affairs.

20. In the event of transfer of unclaimed dividend and shares to IEPF, members are entitled to claim the same from the IEPF Authority by submitting an online application in the prescribed web form IEPF-5 available on www.iepf.gov.in.
21. The voting rights on the shares lying with the IEPF shall remain frozen until the rightful owner of such shares claims the shares.
22. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all security holders. Members holding shares in physical form are, therefore, requested to submit the PAN and Bank Account details to KFIN/ Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, members are requested to submit a copy of bank passbook/ statement attested by bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant.
23. In compliance of section 101 and 136 of the Act, read together with the Rules made thereunder alongwith MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2021-22 can also be accessed from the Company’s website www.nxtdigital.co.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and website of NSDL i.e. www.evoting.nsdl.com
24. Members who hold shares in physical form and have not registered / updated their email addresses with the Company, are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card by email to einward.ris@kfintech.com.
25. Members holding shares in dematerialized form, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.

26. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
27. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
28. All documents referred to in the Notice and accompanying explanatory statement are available for inspection through electronic mode on the basis of the request being sent on investorgrievances@nxtdigital.in up to last working day prior to the date of the AGM i.e. Tuesday, September 27, 2022.
29. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ KFIN (in case of shares held in physical form) and depositories (in case of shares held in demat form).

A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com by 6:00 p.m. IST on Tuesday, September 27, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits by sending an email to einward.ris@kfintech.com. The aforesaid declarations and documents need to be submitted by the shareholders by 6:00 p.m. IST on Tuesday, September 27, 2022.

30. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
31. In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 108 and 110 of the Act and the Rules made thereunder, the Members are provided with the facility to cast their votes electronically instead of dispatching or delivering the Postal Ballot Form. The Company has engaged the services of National Securities Depositories Limited (NSDL) for providing e-voting facility to its Members.
32. Ms. Rupal Jhaveri, Practicing Company Secretary (CP No. 4225), has been appointed by the Company as the Scrutinizer to scrutinize the remote e-voting process at the AGM in a fair and transparent manner.
33. **Voting through electronic means:**

Process for members opting for remote e-voting:

INSTRUCTION FOR E-VOTING AND JOINING THE AGM:

E-Voting Event No. ("EVEN") - 122108

(A) VOTING THROUGH ELECTRONIC MEANS

- a) Pursuant to the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations (as amended) and the SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
- b) The Shareholders who wish to cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again, and if casted again, then the same will not be counted.
- c) The remote e-voting period commences on Friday, September 23, 2022 (at 9.00 a.m. IST) and ends on Monday, September 26, 2022 (at 5.00 p.m. IST). During this period, the

Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 20, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the Shareholder, the Shareholder shall not be allowed to change it subsequently. The Member, whose name appear in the Register of Members/ Beneficial Owners as on Tuesday, September 20, 2022, may cast their votes electronically through e-voting. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, September 20, 2022.

- d) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail

and holding shares as of the cut-off date i.e. Tuesday, September 20, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no.1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, September 20, 2022, may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speed” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rupal@csrdj.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Sr. Manager, NSDL at evoting@nsdl.co.in
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorgrievances@nxtdigital.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (investorgrievances@nxtdigital.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General Meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investorgrievances@nxtdigital.in. The same will be replied by the Company suitably either in advance or at the time of AGM.

6. SPEAKER SHAREHOLDER REGISTRATION:

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DPID and Client ID/ Folio number, PAN, mobile number at investorgrievances@nxtdigital.in from Wednesday, September 21, 2022 (9.00 a.m. IST) to Saturday, September 24, 2022 (5.00.p.m. IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Sr. Manager, NSDL at evoting@nsdl.co.in.

OTHER INSTRUCTIONS:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through

remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The results will be announced within two (2) working days from the conclusion of the AGM.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.nxtdigital.co.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By order of the Board of Directors

Ashish Pandey
Company Secretary

Place: Mumbai
Date: August 27, 2022

Registered Office:

IN CENTRE, 49/50, MIDC, 12th Road
Andheri (East), Mumbai - 400 093



NXTDIGITAL

NXTDIGITAL LIMITED

ANNUAL REPORT 2021 - 2022

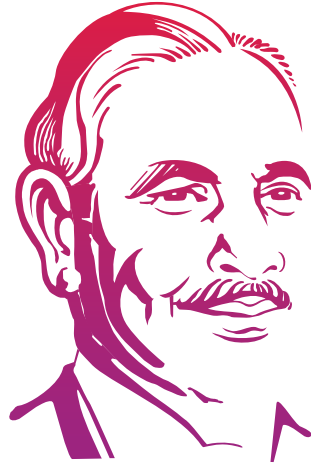


THINK DIGITAL. THINK NXTDIGITAL.



HINDUJA GROUP





The Group Founder **Shri Parmanand Deepchand Hinduja**

The five principles as under, distilled from the lifetime experience of the Founder of Hinduja Group, late Shri Parmanand D. Hinduja, serve as the cultural cornerstones of the businesses of the Group, leading to a synergistic and creative partnership of professional management and entrepreneurship among the Group Companies.

Work to Give
Act Local; Think Global
Advance Fearlessly
Word is a Bond
Partnership for Growth

A futuristic server room with blue and red lighting and perforated metal walls. The room is filled with server racks, and the lighting creates a high-tech, digital atmosphere. The text is centered in the middle of the image.

**REVOLUTIONIZING
THE FUTURE OF YOUR
DIGITAL EXPERIENCES**

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CHAIRMAN'S MESSAGE

Dear NXTDIGITAL Parivaar members,

Greetings to you and your families! As always, it is my pleasure to be interacting with you, hoping each one of you is well and at the same time to take this opportunity to update you about the progress your Company has been making and its vision for the future.

I continue to hope and pray for the wellbeing of you and your families in this tail period of the pandemic - which though subdued, has not yet been fully done away with. I would also like to acknowledge and appreciate the enormous effort put in by the Government of India in systematically executing the largest vaccination program in the world. This has enabled more than 2 billion vaccinations being carried out in the country to ensure the safety of the citizens.

I would now like to present to you brief facts of the performance of your Company for the financial year ending March 31, 2022, and the vision ahead.

The year gone by:

As the financial year 2020 - 21 was ending, there was optimism in the air. India was gearing up for a strong economic recovery several forecasters such as

“ At the outset, I would like to sincerely thank you all for your continued faith reposed in the Company through the overwhelming support provided for the Rights Issue of Equity Shares of your Company during the year under review. ”

International Monetary Fund expected growth to exceed 9% in fiscal 2022. This optimism received a setback in the early part of the year as a wave of Omicron infections swept through the country which, though it did not last long, did have some impact. The Russian invasion of Ukraine in February 2022 aggravated the pre-existing challenges with no definite end in sight. However, despite these negative forces, the inherent resilience of the Indian economy, strengthened by the proactive and multiple steps taken by the Government, have ensured the economy has started rebounding - with businesses

clocking both revenue and profitability growth on the road to reaching pre-pandemic levels.

It is to the credit of Prime Minister Shri Narendra Modi's Government, that it rose to these challenges not just through fiscal measures but also through a massive vaccination drive to ensure that it took a holistic approach to the problems - by taking to both, long term and short-term solutions.

I can state with confidence that your Company has been equally resilient in such a challenging environment and has been taking nimble but sure steps to adapt to the frequently changing business environment, be it the reduction of spending power of consumers, migration of population, fast paced change in content viewing patterns, change in data speed requirements and emergence of newer technologies, to mention just a few. All these steps obviously need to be taken with a continued focus on profitability and cash generation.

Your Company continues to follow the philosophy of measured growth and not just "growth for the sake of growth", giving equal importance to business ethics, maintaining transparency in operations, shoring up a robust back-end, profitability and enhancing consumer satisfaction. All these steps have reflected in the results of operations of your Company for the year ended March 31, 2022.

Your Company's businesses would need capital to grow multi fold in the future and to always stay ahead of competition. As a first step towards this, your Company focused on further strengthening its Balance Sheet to enable it to access growth capital in the future. In line with this, your Company carried out a Rights Issue of Equity shares aggregating to an amount of Rs 288.61 crores during the year with the sole objective of reducing its debt. Having successfully concluded the Rights Issue and repaid a substantial part of its debt, the debt-to-equity ratio of the Company stands at approximately 1:1.5 as compared to approximately 1:5 at the beginning of the fiscal.

With respect to profitability - your Company posted an operating profit of Rs 256 crores for the financial year ending March 31, 2022, which grew by 10.4 % over the previous year; The company clocked a positive profit after tax for the year compared to a loss in the previous year.

Your Company continues to believe that the Last Mile Owners are the foundation of its business and continues to expand its business through such franchisees, enabling them with diversified offerings and better technologies. Your Company continues to be the only Company in the country providing TV signals distribution through the Headend-In-The-Sky (HITS) technology and thereby promoting both in letter and spirit the vision of our Prime Minister with respect to "Make in India", "Skill India" and "Digital India". Adoption of this technology has resulted in the design of unique delivery equipment in the country, has trained thousands of Last mile Owners in technical skills for satellite signals delivery and has also digitized the video viewing experience across the length and breadth of the country including some of the remotest parts of the country.

The Vision:

The future is not just linear TV, or Broadband or OTT – it is all about convergence of offerings – with the type of device becoming less and less important. Companies which can quickly re-position themselves to provide bundled content across devices will be the ones which will survive and grow. Companies which focus on "share of wallet", building digital and "phygital" platforms rather than a pure content-focused only approach are the ones that are likely to be able to survive in the long run. Your Company has been taking active steps to not only aggregate content of various types but also offer new-age delivery platforms for its subscribers.

In line with this philosophy; while your Company has been aggregating content including OTT, and exploring Edutech, fintech solutions and gaming content also, it has also been focusing on newer and emerging technologies by signing a Memorandum of Understanding in April 2022 with a leading international satellite service provider, to form a partnership for providing "Broadband over Satellite" with Thaicom Public Company Limited (Thailand) to deliver broadband to the farthest corners of the country in line with the Prime Minister's vision of a Digital and Connected India, where every person can connect to government, education, entertainment services.

Your Company will endeavor to always stay one step ahead, whether it be deploying emerging technologies or defining global standards; to developing market strategies for sustainability and value creation in the long run.

Corporate Action:

To grow the digital business, your Company has from time to time been evaluating partnerships with other organizations in the digital space with the objective of having both access to capital and achieving operational synergies. In line with this thought process, your Company has identified Hinduja Global Solutions Limited (HGSL), a Company in the IT and IT enabled space as a potential partner. The company believes that a business combination of its Media & Communications Business with HGSL will result in providing significant impetus to its vision of growth as an integrated digital service company.

Some of the benefits the company envisages in such a combination are as follows.

- **Horizontal integration with HGSL which will provide its expertise in the space of digital applications development and deployment for all of your Company's offerings.**
- **As your Company forays into newer areas of technology like Broadband over Satellite, satellite-based AI and automation; the digital IT capabilities of HGSL would be of immense importance for the Company not only to develop integrated offerings, but to scale up quickly.**
- **Access to global markets as HGSL is a global corporate operating in multiple countries.**

Based on these synergies between the Media and Communications business of your Company and the business of HGSL and also the benefits to accrue to both the companies through a business combination, the Boards of Directors of both the companies approved in principle the acquisition of the "Media & Communications Business undertaking" of NDL along with its subsidiaries by HGSL through a share swap process subject to all regulatory and shareholder approvals and the approval of the Honorable National Company Law Tribunal (NCLT).

Post the above decision on the business combination with HGSL, (which is subject to necessary regulatory and shareholder approvals), your Company has in line with its objective of pursuing high-growth oriented business opportunities to enhance stakeholders value, been evaluating various proposals that could bring in significant incremental value. In line with this thought process, the Board has on 16th August 2022, approved a proposal for

the merger of Hinduja Leyland Finance Limited (HLFL) into the company, subject to regulatory and other requisite approvals. The merger when approved, would happen through a share swap process.

Both these Corporate actions will go a long way in enhancing stakeholder value by enabling you all to be a part of the growth story of both HGSL and the Company in its new avatar as a Non-Banking Finance Company post the merger of HLFL with itself.

Corporate Social Responsibility

Your Company has always been committed to its social responsibility. It has carried out these activities largely through Hinduja Foundation. In addition, during the current year, it has supported vaccination drives with the help of the health care divisions of the Hinduja Group for employees and its business partners.

Conclusion.

I want to place on record my sincere appreciation of your unstinted support to the company all these years. I would also like to thank the Directors, Management, Employees, Associates, and our Last Mile Partners on the excellent performance registered in the past year. Also, my thanks go out to our Bankers, Auditors, and Advisors for their help and guidance during the year to maintain the highest standards of corporate governance, a top priority for the Hinduja Group.

I would conclude by wishing you all good health.



Ashok P. Hinduja
Chairman





ABOUT NXTDIGITAL

NXTDIGITAL Limited (NDL) is the media vertical of the global Hinduja Group. The media and communications company is India's premier integrated Digital Delivery Platforms Company - delivering services via satellite, digital cable and broadband. With a pan-India reach, NXTDIGITAL delivers television services through a dual delivery platform consisting of digital cable and the country's only **Headend-In-The-Sky (HITS) satellite platform**, under the brand names **INDigital** and **NXTDIGITAL** respectively. The Company's Digital Cable television platform delivers **650+ channels across 100+ cities and towns** whilst the "HITS service is available in more in over **1500 cities and towns covering more than 4500 Pin Codes** - with a significant presence in the

fastest-growing demographics of semi-urban, semi-rural and rural India". The company is well established nationally through a franchisee base of nearly **10,000 Last Mile Owners**; delivering digital services to millions of customers across the length and breadth of the country.

A game-changer in the industry, the HITS platform also provides infrastructure sharing services to **Multi-System Operators (MSOs)**; providing them with a highly cost-effective way to deliver their services via satellite at a significantly improved level of quality of service. With its state-of-the-art HITS facility and data centres, it is the only company that can offer direct-to-network services to any corner of the country. The Company has also launched a

network of 90 owned-and-operated **NXTHUBs**, each with the capability to deliver up to 650 TV services, broadband and OTT as also emerging solutions like WiFi.

Other than Television services, its subsidiary **ONEOTT Entertainment Limited** is one of India's top 4 private Internet Service Providers and has a strong presence in Broadband and Internet services in **150+ cities**. Its services under the brand "**ONE Broadband**" provide

converged services of Video, Data and Voice to consumers by delivering highspeed internet and services across multiple cities in India. With "ONE Gigafiber", the broadband company also provides FTTH (Fiber to the Home) services for consumers - providing speeds up to 1,000Mbps.

THE NEXT PHASE OF DIGITAL EMPOWERMENT BEGINS WITH NXTDIGITAL.



AWARDS & RECOGNITION



ONEOTT ENTERTAINMENT LTD
WON INDIA'S LEADING BRAND 2022



VOICE&DATA EXCELLENCE AWARDS
2021 AWARDED TO
ONEOTT ENTERTAINMENT LTD



ONEOTT ENTERTAINMENT LTD WAS RECOGNIZED WITH THE COVETED AWARD
"PRESTIGIOUS BRANDS OF INDIA 2021-22" IN BROADBAND CATEGORY BY
PROCESS EVALUATORS AND RESEARCH - 'BARC ASIA' & JURY PANEL.



NATIONAL FEATHER AWARDS



Best Innovative Project of the year

Presented to



FOR EXCELLENCE & LEADERSHIP IN SOCIAL MEDIA & DIGITAL MARKETING

THE PRESTIGIOUS NATIONAL FEATHER AWARD FOR THE '**BEST INNOVATIVE PROJECT OF THE YEAR**' WAS AWARDED TO **NXTDIGITAL LTD (NDL)** FOR ITS INNOVATIVE AND FUTURE-READY DIGITAL **NXTHUB** PROJECT.

PR COVERAGE

40 new NXTHUBS launched simultaneously in country

PNS HYDERABAD

NXTDIGITAL Limited (NDL), the media vertical of the global Hinduja Group and India's premier integrated digital distribution company offering digital cable, HITS (Headend-In-The-Sky), broadband, content and tele-shopping, today launched 40 NXTHUBS across India and unveiled a Value-Added App for its Last Mile Owners (LMOs). Following on the launch of its pilot in Ranchi, these NXTHUBs were electronically launched at an event in Hyderabad across 13 states including Andhra Pradesh, Telangana, Gujarat, Uttar Pradesh, Maharashtra and Karnataka, amongst others.

Each NXTHUB is owned and operated by NDL, and is equipped with the latest technology comprising an ADDS or Advanced Digital Distribution System - to distribute over 650 digital TV services received via satellite to LMOs and their customers. The NXTHUB plug-and-play model eliminates the need for LMOs to invest in headend and related technology. Besides video and broadband, these NXTHUBs are future-ready to offer a slew of additional digital services including OTT and WiFi.

Each location has been strategically chosen to augment the company's footprint across the country, which today stands at over 4,600 pin codes, as well as focus on markets where LMO growth is constrained by the ability to invest. For LMOs, this plug-and-play solution facilitates them to go 'digital' literally overnight, offering their customers over 650 digital television channels and other digital services including broadband. NDL has planned a total of 100 such NXTHUBs for this financial year that will further strengthen the NDL footprint across the country.

NXTDIGITAL board accords in-principle approval for its digital and media businesses to be acquired by Hinduja Global Solutions

The move will fuel and accelerate NDL's planned expansion across the digital ecosystem through optimal synergies with HGS' strength in digital processing and back-end expertise

Written by [BrandWagon Online](#)
Updated: January 15, 2022 15:57:37 pm



Proposed acquisition will include the management team, employees, all businesses and technology across the entire media, communications and broadband spectrum.

NxtDigital expands network with 40 hubs across country

Hyderabad, 15th January 2022 - NxtDigital Limited (NDL), the media vertical of the global Hinduja Group and India's premier integrated digital distribution company offering digital cable, HITS (Headend-In-The-Sky), broadband, content and tele-shopping, today launched 40 NXTHUBS across India and unveiled a Value-Added App for its Last Mile Owners (LMOs). Following on the launch of its pilot in Ranchi, these NXTHUBs were electronically launched at an event in Hyderabad across 13 states including Andhra Pradesh, Telangana, Gujarat, Uttar Pradesh, Maharashtra and Karnataka, amongst others.

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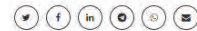
NXT Digital's ONE BROADBAND crosses one million subscribers - becomes India's 4th largest private ISP

ONEOTT ENTERTAINMENT LTD. (OIL), the broadband subsidiary of NXTDIGITAL Limited ("NDL"), the media vertical of the global conglomerate, Hinduja Group, has surpassed yet another milestone by crossing 1 Million wired home broadband subscribers. OIL achieved this feat by adding over 200,000 subscribers in the fourth quarter of FY22 recording a growth of 65% over FY21. ONE BROADBAND is now India's 4th largest private Internet Service Provider (ISP), extending its presence across India. The increased competition in this space fuelled by the demand for more online services has triggered consolidation which has benefited larger ISPs, enabling OIL's growth inorganically. Commenting on this milestone, ONEOTT ENTERTAINMENT LTD's Chief Executive Officer, Yugal Kishore Sharma said, "The significant growth trajectory of ONE BROADBAND's high-speed internet connectivity has been achieved by its 'available-reliable-affordable' offerings. It's focussed approach towards predictable proactive customer responsiveness and care have been highly appreciated by subscribers. Internet use has moved beyond browsing and social networking to work-from-home, online Education, OTT Entertainment, e-Gaming, online-Shopping online-Health, e-Governance and others. At OIL, we have adapted to this consumption surge by doubling our internet capacity on the supply side without passing any additional cost to our customers to maintain a consistent customer experience during the pandemic." ONE BROADBAND, under its flagship brand, OneGigaFiber offers industry-wide highest speeds of up to 1 Gbps on its FTTH.

NXTDigital board approves sale of digital, media businesses to Hinduja Global Solutions

The businesses consist of broadband, HITS, digital cable television, content syndication and teleshopping...

ETBrandEquity | January 15, 2022, 12:54:15T



The image is for representational purposes only - iStock

NXTDigital (NDL) has accorded an in-principle approval for its digital and media businesses to be acquired by Hinduja Global Solutions (HGS), subject to all statutory or regulatory approvals and approval of the shareholders.

In a statement, the company said the move will fuel and accelerate NDL's planned expansion across the digital ecosystem through optimal synergies with HGS' strength in digital processing and back-end

NxtDigital revenue grows 12.8% to reach Rs 807.6 crore in 9MFY2022

Maintained EBITDA of Rs 155.8 cr compared to Rs 149.81 in the last fiscal.

15th Jan 2022, 02:03 PM IST | by [BrandWagon Team](#)



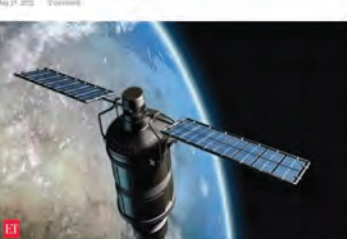
NxtDigital, integrated digital platform provider, today announced the revenue growth of 12.8% for the nine months period ending 31 December 2021 and Q4 FY22. The company's consolidated revenue for the nine months period for 9MFY22 grew to Rs 807.6 crore, up from Rs 713.77 crore for the corresponding period of the previous year. During the same period, the Earnings Before Interest and Taxation (EBITDA) for a consolidated basis rose to Rs 155.8 crore as against an EBITDA of Rs 149.81 crore during the corresponding period of the previous year, a growth of 4.0% over FY21.

The company's consolidated revenue for the nine months period for 9MFY22 grew to Rs 807.6 crore, up from Rs 713.77 crore for the corresponding period of the previous year. During the same period, the Earnings Before Interest and Taxation (EBITDA) for a consolidated basis rose to Rs 155.8 crore as against an EBITDA of Rs 149.81 crore during the corresponding period of the previous year, a growth of 4.0% over FY21.

HGS approves share entitlement ratio of 20:63 for NxtDigital's business acquisition

The acquisition of NDL's digital, media and communications business undertaken will not entail cash outflow from HGS.

Nxtdigital, Thaicom sign pact for broadband-over-satellite services in India



The move will fuel and accelerate NDL's planned expansion across the digital ecosystem through optimal synergies with HGS' strength in digital processing and back-end expertise

HGS clears 20:63 share entitlement ratio for acquisition of NXTDIGITAL's digital, media biz

Prateek Chakrabarti, Executive Director and Group CEO of HGS said that the acquisition of NDL's digital, media and communications business undertaken will not entail cash outflow from HGS.



हिंदुजा ग्रुप के "फ्लैक्ससटी डिजिटल" ने मल्टी-मिस्ट्रेस ऑपरेटर्स के लिए भारत का पहला इंफ्रास्ट्रक्चर शेयरिंग पास वॉटिकल लॉन्च किया

मुंबई (इकोनोमिक्स) - हिंदुजा ग्रुप के इन्फो-एन-ए-नक्स (HITS) कनेक्टिविटी के डिजिटल और मीडिया बिजनेसों के लिए एक नए वॉटिकल (VOC) पास लॉन्च किया है। यह भारत का पहला इंफ्रास्ट्रक्चर शेयरिंग पास है।

हिंदुजा ग्रुप के इन्फो-एन-ए-नक्स (HITS) कनेक्टिविटी के डिजिटल और मीडिया बिजनेसों के लिए एक नए वॉटिकल (VOC) पास लॉन्च किया है। यह भारत का पहला इंफ्रास्ट्रक्चर शेयरिंग पास है।

सेक्टरविजिल रिपोर्ट के मुताबिक 21 की पहली छमाही की तुलना में 22 की 15.48 प्रतिशत बढ़

एनएसई 30 इंडेक्स की पहली छमाही में 21 की तुलना में 22 की 15.48 प्रतिशत बढ़।

एनएसई 30 इंडेक्स की पहली छमाही में 21 की तुलना में 22 की 15.48 प्रतिशत बढ़।

NXTDIGITAL ANNOUNCES 100 NXTHUB PROJECT FROM RANCHI

RANCHI: NXTDIGITAL, the media vertical of the global Hinduja Group and India's premier integrated digital distribution company offering digital cable, HITS (Headend-In-The-Sky) and broadband; today announced the launch of its new initiative - the "NXTHUB". The initiative envisages expanding the company's coverage to at least another 100 towns - through a unique networking model of setting up advanced digital "owned and operated" NXTHUBs. Each NXTHUB is equipped with the latest technology comprising an ADD or Advanced Digital Distribution system - to distribute video signals received via satellite and broadband to Last Mile Owners (LMOs) and their customers.



Nxtdigital shares surge 19% on nod to scheme of arrangement with Hinduja Global Solutions



Nxt Digital zooms 20% on swap approves demerger board ratio



NXTDIGITAL launches its "Partnership for Growth 3.0"

NXTDIGITAL, the media vertical of the global Hinduja Group and India's premier integrated digital distribution company offering digital cable, HITS (Headend-In-The-Sky) and broadband; today announced the launch of its new initiative - the "Partnership for Growth 3.0".

NXTDIGITAL, the media vertical of the global Hinduja Group and India's premier integrated digital distribution company offering digital cable, HITS (Headend-In-The-Sky) and broadband; today announced the launch of its new initiative - the "Partnership for Growth 3.0".

Hinduja Group Company Nxtdigital Launches 40 Nxthubs Across India

October 28, 2021 | No Comments

Hyderabad: Nxtdigital, the Hinduja Group's media and communications company, and an integrated digital distribution company offering digital cable, Headend-in-The-Sky, broadband, content and telephony, has launched 40 Nxthubs across India. It also unveiled a value-added application for its Last Mile Owners (LMOs).

Following the launch of its pilot in Ranchi, these Nxthubs were electronically launched at an event in Hyderabad on Thursday in 13 states including Telangana, Andhra Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Karnataka among others.

NXTDIGITAL launches its "Partnership for Growth 3.0" - expands its network with 40 new NxTHUBs across the country; announces its suite of apps

NxtDigital, Hinduja Group's media and communications company, and an integrated digital distribution company offering digital cable, Headend-in-The-Sky, broadband, content and telephony, has launched 40 Nxthubs across India. It also unveiled a value-added application for its Last Mile Owners (LMOs). Following the launch of its pilot in Ranchi, these Nxthubs were electronically launched at an event in Hyderabad on Thursday in 13 states including Telangana, Andhra Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Karnataka among others.

नेक्स्टडिजिटल लिमिटेड का राजस्व 15.48 प्रतिशत बढ़ा

संयुक्त बंगलूरु, 28 अक्टूबर (हिन्दुजा ग्रुप लिमिटेड): हिन्दुजा ग्रुप लिमिटेड के मीडिया और कम्युनिकेशन्स कंपनी नेक्स्टडिजिटल लिमिटेड (NXTDIGITAL) ने देश भर में 40 नए NxTHUBs लॉन्च किए हैं। यह कंपनी ने 13 राज्यों में, जिसमें तेलंगाना, आंध्र प्रदेश, गुजरात, उत्तर प्रदेश, महाराष्ट्र और कर्नाटक शामिल हैं।

NXT Digital's ONE BROADBAND crosses one million subscribers - becomes India's 4th largest private ISP

ONEOT ENTERTAINMENT LTD. (OEL), the broadband subsidiary of NXTDIGITAL, has crossed one million subscribers in India. It is now India's 4th largest private ISP. The company has achieved this milestone by adding over 200,000 subscribers in the fourth quarter of FY22, recording a growth of 65% over FY21. ONE BROADBAND is now India's 4th largest private Internet Service Provider (ISP), according to presence across India. The increased competition in the space fuelled by the demand for more online services has triggered consolidation which has benefited larger ISPs, enabling OEL's growth. Commenting on this milestone, ONEOT ENTERTAINMENT LTD's Chief Executive Officer, Yugal Kulkarni Sharma said, "The significant growth trajectory of ONE BROADBAND's high-speed internet connectivity has been achieved by its 'available-reliable-affordable' offerings. It's focused approach towards predictable proactive customer responsiveness and care has been highly appreciated by subscribers. Internet use has moved beyond browsing and social networking to work-from-home, online Education, OTT Entertainment, e-Gaming, online-Shopping, online-Health, e-Governance and others. At OEL, we have adapted to this consumption surge by adding our internet capacity on the supply side without passing any additional cost to our customers to maintain a consistent customer experience during the pandemic."

अवेक्स्टडिजिटल लिमिटेड का राजस्व वित्त वर्ष 21 की पहली छमाही की तुलना में वित्त वर्ष 22 में 15.48 प्रतिशत बढ़ा

संयुक्त बंगलूरु, 28 अक्टूबर (हिन्दुजा ग्रुप लिमिटेड): हिन्दुजा ग्रुप लिमिटेड के मीडिया और कम्युनिकेशन्स कंपनी नेक्स्टडिजिटल लिमिटेड (NXTDIGITAL) ने देश भर में 40 नए NxTHUBs लॉन्च किए हैं। यह कंपनी ने 13 राज्यों में, जिसमें तेलंगाना, आंध्र प्रदेश, गुजरात, उत्तर प्रदेश, महाराष्ट्र और कर्नाटक शामिल हैं।

Nxtdigital, Thaicom Ink MoU to Deploy Satellite Broadband Services in India



Thaicom satellite dish antenna.

नेक्स्टडिजिटल लिमिटेड ने सत्यक्राइवर्स के लिए लॉन्च किया अपना कॉन्वो प्रोडक्ट, इसमें शामिल है टीवी चैनल +ड्राइवबैंड + ओटीटी

नेक्स्टडिजिटल लिमिटेड (NXTDIGITAL) ने सत्यक्राइवर्स के लिए लॉन्च किया अपना कॉन्वो प्रोडक्ट, इसमें शामिल है टीवी चैनल +ड्राइवबैंड + ओटीटी। यह प्रोडक्ट सत्यक्राइवर्स को सटीक और विश्वसनीय सेवाएं प्रदान करता है।

Nxt Digital zooms 20% as board approves merger swap ratio

Nxt Digital's shares have zoomed 20% as the board of directors has approved a merger swap ratio. The company is pleased with the response of investors and the market.

Nxtdigital launches 'live' TV stick and Android STB



Nxtdigital 'live' TV stick and Android STB.

Nxtdigital clocks 15.48% revenue growth in H1

Nxtdigital has achieved a 15.48% revenue growth in H1. The company is focused on expanding its services and improving customer experience.

Nxtdigital and Thaicom ink binding MoU for broadband-over-satellite and related services

Nxtdigital and Thaicom have signed a binding Memorandum of Understanding (MoU) for broadband-over-satellite and related services. This partnership aims to provide high-speed internet access to underserved areas.

NXTDIGITAL and Thaicom Ink MoU for Providing Satellite Broadband Services in India

NXTDIGITAL and Thaicom have inked an MoU for providing satellite broadband services in India. The agreement includes the deployment of broadband-over-satellite (BoS) systems.

NXTDIGITAL Q2 revenue rises significantly to Rs76.83cr, EBITDA stable; Stock trades flat

NXTDIGITAL's Q2 revenue has risen significantly to Rs76.83cr, while EBITDA remains stable. The company's stock price has remained flat in the market.

Nxtdigital, Thaicom sign pact for broadband-over-satellite services in India

Nxtdigital and Thaicom have signed a pact for providing broadband-over-satellite services in India. This collaboration will help bridge the digital divide.

Nxtdigital, Thaicom sign pact for broadband-over-satellite services in India

Nxtdigital and Thaicom have signed a pact for providing broadband-over-satellite services in India. The agreement envisages a partnership that includes deployment of broadband-over-satellite (BoS) systems on India-focused capacity.

NXTDIGITAL AND THAIKOM INK BINDING MOU FOR BROADBAND-OVER-SATELLITE AND RELATED SERVICES IN INDIA

NXTDIGITAL LIMITED (NXL) and THAIKOM PUBLIC COMPANY LIMITED, Thailand (Thaicom) today made a joint announcement of having signed a binding Memorandum of Understanding (MOU) to form a strategic partnership to enter the Broadband-over-satellite (BoS) market and related services in India. The MOU envisages a partnership that includes deployment of BoS systems on India-focused capacity, which could be enhanced to provide future additional capacity on a state-of-art software-defined high throughput satellite, augmenting the existing IPSTAR-1 that is the first broadband satellite in the world and operational over India since several years.

Nxt Digital zooms 20% as board approves merger swap ratio

Nxt Digital's shares have zoomed 20% as the board of directors has approved a merger swap ratio. The company is pleased with the response of investors and the market.

NXTDIGITAL launches 'combo' package for subscribers; includes TV channels, broadband and OTT

NXTDIGITAL has launched a 'combo' package for subscribers, which includes TV channels, broadband, and OTT services. This package offers a comprehensive digital entertainment experience.

NXTDIGITAL posts revenue of Rs 249.5 crore in Q3 FY22

NXTDIGITAL has posted a revenue of Rs 249.5 crore in Q3 FY22. The company is focused on expanding its services and improving customer experience.

Nxtdigital, Thaicom sign pact for broadband-over-satellite services in India

Nxtdigital and Thaicom have signed a pact for providing broadband-over-satellite services in India. This collaboration will help bridge the digital divide.

नेक्स्टडिजिटल के राइट्स इश्यू को 1.94 फीसदी सब्सक्राइब किया गया, 560.13 करोड़ रुपये जुटाए

नेक्स्टडिजिटल लिमिटेड ने 2021-22 का वित्त वर्ष 30 अक्टूबर, 2021 को खतम करके 100 करोड़ रुपये के इशारे पर 560.13 करोड़ रुपये का राइट्स इश्यू किया, जो 1.94 फीसदी सब्सक्राइब किया गया।

नेक्स्टडिजिटल लिमिटेड ने 30 अक्टूबर, 2021 को खतम करके 100 करोड़ रुपये के इशारे पर 560.13 करोड़ रुपये का राइट्स इश्यू किया, जो 1.94 फीसदी सब्सक्राइब किया गया।

Stock of this Hinduja Group company has zoomed 40% in 2 days

Stock of this Hinduja Group company has zoomed 40% in 2 days

NXTDIGITAL LIMITED

Share Price: ₹15.00

Change: +₹1.20 (+8.57%)

Hinduja arm NxtDigital's shares up around 40% in 2 trading sessions

Hinduja arm NxtDigital's shares up around 40% in 2 trading sessions

NXTDIGITAL LIMITED

Share Price: ₹15.00

Change: +₹1.20 (+8.57%)

नेक्स्ट डिजिटल का राजस्व बढ़ा

मुम्बई: नेक्स्ट डिजिटल लिमिटेड का नवंबर 2021 का राजस्व बढ़ा है। कंपनी ने 2021-22 का वित्त वर्ष 30 अक्टूबर, 2021 को खतम करके 100 करोड़ रुपये के इशारे पर 560.13 करोड़ रुपये का राइट्स इश्यू किया, जो 1.94 फीसदी सब्सक्राइब किया गया।

नेक्स्ट डिजिटल लिमिटेड का नवंबर 2021 का राजस्व बढ़ा है। कंपनी ने 2021-22 का वित्त वर्ष 30 अक्टूबर, 2021 को खतम करके 100 करोड़ रुपये के इशारे पर 560.13 करोड़ रुपये का राइट्स इश्यू किया, जो 1.94 फीसदी सब्सक्राइब किया गया।

NXTDIGITAL™ का बोर्ड "डिजिटल, मीडिया एन्ड कम्युनिकेशन्स" व्यवसायना डिड्यूग्ड ग्लोबल सोल्यूशन्स में सूचित उद्देश्य स्तर पर आगे बढ़ाने का फैसला करता है

NXTDIGITAL Limited का बोर्ड ऑफ डायरेक्टर्स ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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NXT Digital के वन ब्रॉडबैंड के ग्राहकों की संख्या एक मिलियन के पार पहुंची

अहमदाबाद: नेक्स्ट डिजिटल लिमिटेड (नेक्स्ट डिजिटल), जो वीडियो समूह हिंदुजा ग्रुप के माध्यम से संचालित है, ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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48 new NxtHubs launched simultaneously across India

Hyderabad: NxtDigital Limited (NXL), the media vertical of the digital Hinduja Group and India's premier integrated digital platform company offering digital content and technology solutions, has announced the launch of 48 new NxtHubs across India.

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NxtDigital Board approves proposed scheme of arrangement

Mumbai: NxtDigital Limited (NXL) has announced that its Board of Directors has approved a proposed scheme of arrangement for the merger of NxtDigital with its parent company, Hinduja Group.

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हिंदुजा ग्रुप के एनएक्सटी डिजिटल ने मल्टीब्र-सिस्टम ऑपरेटर्स के लिए भारत का पहला इंफ्रास्ट्रक्चर शेयरिंग पास वर्कलॉक लॉन्च किया

मुम्बई: नेक्स्ट डिजिटल लिमिटेड ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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नेक्स्टडिजिटल के राइट्स इश्यू 1.94 फीसदी हुआ सब्सक्राइब मुम्बई। नेक्स्टडिजिटल लिमिटेड ने आज घोषणा की कि कंपनी में भारत सरकार 5 शेयरों के लिए 96204663 शेयरों के लिए 2 शेयरों के इक्विटी शेयरों वाले कंपनी के राइट्स इश्यू को 1.94 गुना सब्सक्राइब किया गया।

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एनएक्सटी डिजिटल ने मार्च 21 को समाप्त तिमाही और वर्ष के दौरान शानदार प्रदर्शन किया

मुम्बई: नेक्स्ट डिजिटल लिमिटेड ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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भारत में वॉडबैंड-ओवर-सैटेलाइट और संबंधित सेवाओं के लिए एनएक्सटी डिजिटल और थाइकॉम इंफ्रास्ट्रक्चर शेयरिंग पास वर्कलॉक लॉन्च कर रहे हैं

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NxtDigital 9MFY2022 revenue up 12.84% to reach INR 807.6 crore

Mumbai: NxtDigital Limited (NXL) has reported a 12.84% increase in revenue for the 9 months ending February 2022, reaching INR 807.6 crore.

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Advertisement for NxtDigital featuring various content and shows.

NXTDIGITAL LIMITED CONTINUES ON ITS GROWTH PATH IN FY22

India's premier integrated digital platform company NxtDigital Limited, the media vertical of the Hinduja Group, with a presence in digital cable, satellite DTH's, broadband, content syndication and tech-enabled entertainment, has reported its financial performance for the 9 months ending February 2022.

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एनएक्सटी डिजिटल लिमिटेड ने किया बेहतरीन प्रदर्शन

मुम्बई: नेक्स्ट डिजिटल लिमिटेड ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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नेक्स्टडिजिटल न्यूजिमासिक गालामां मजबूत प्रदर्शन

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NXTDIGITAL अने थार्डकोम (भारत) में ब्रॉडबैंड-ओवर-सैटेलाइट अने संबंधित सेवाओं के माध्यम से आधुनिकीकरण और नए आयु कक्षा

NXTDIGITAL LIMITED (NXL) ने 21 मार्च, 2022 को एक बैठक में एक संशोधित व्यवसाय संज्ञापन (Business Strategy Statement) को मंजूरी दी।

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मुम्बई, 21.03.22

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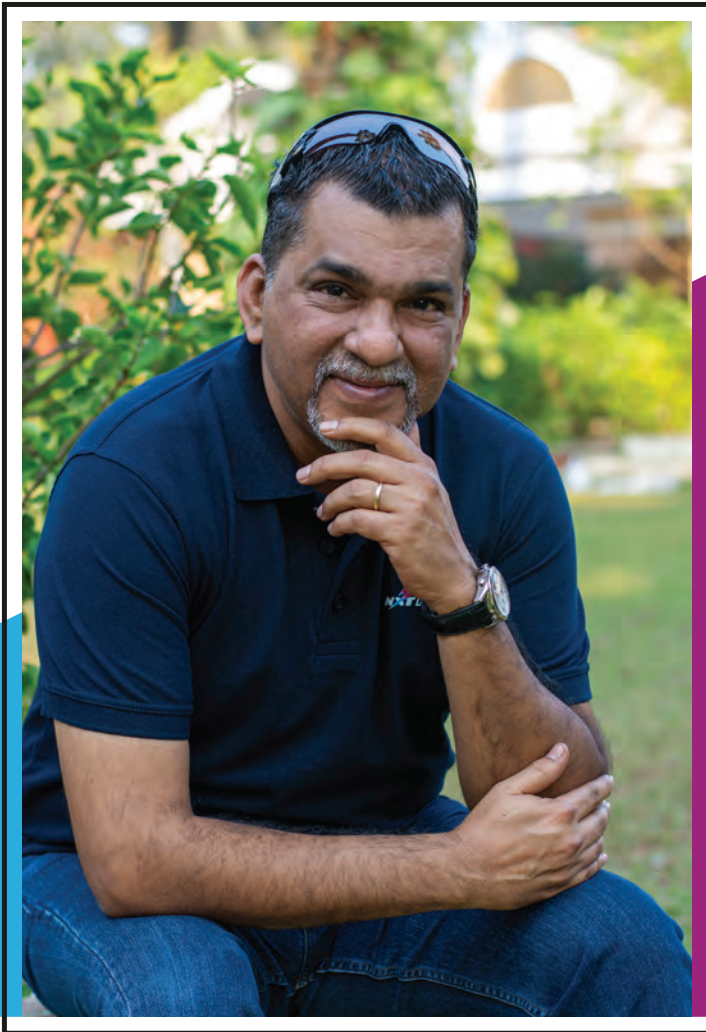
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1
MILLION
SUBSCRIBERS
CROSSED!



**ONE BROADBAND
CROSSES 1 MILLION SUBSCRIBERS!**

Proving its mettle with High-speed Internet and great service to the customers throughout India, One Broadband is celebrating a Million subscribers and its aim to gain Millions more.



FROM THE DESK OF MD & CEO

Mr. Vynsley Fernandes
Managing Director and CEO,
NXTDIGITAL Limited

Dear NXTDIGITAL Parivaar Members,

This is yet another privilege for me to be writing to you on behalf of all my colleagues. I reflect the entire company's sentiments when I say that I hope and wish each one of you and your loved ones are safe and in the best of health.

Against the backdrop of the slowing pandemic, your Company took off from where we left off last fiscal – continuing on its path of accelerated digital transformation to address not just changing consumer behavior in terms of content consumption but also a sea change in the market dynamics. The success of those carefully strategized and implemented measures is best reflected in the robust performance of your Company – as we continued to build on innovation across not just technology but also business models to define our next stage of growth.

NXTDIGITAL: Measured & sustainable growth!

The Indian Media & Entertainment industry overall remained impacted owing to the 2nd and 3rd waves of the pandemic. Whilst advertising revenues grew over the previous fiscal, subscription revenues continued to be affected – mainly due to a reduction in pay TV homes estimated at ~6mn and a drop in consumer ARPUs. However, **our Digital television business remained stable, bucking the industry-wide trend; riding on the roll-out of our award-winning NXTHUBs launched across India and a myriad of other initiatives.** Our connected homes across the media group ended just shy of the 5,000,000 mark and we have expanded geographically to cover more semi-urban and rural markets – where demand for digital solutions continues to be on the upswing.

We have continued to focus on Key Performance Indices that are barometers for the digital television business. We have **improved our SMR (Same Month Renewal) to 91.2% whilst bringing down our 90-day Net Churn to a commendable 1.9%**. These metrics assume greater significance when juxtaposed against the backdrop of the challenges faced by the industry in the pandemic year.

NXTHUBs : Changing the Paradigm

Recognizing the challenges of semi-rural and rural India, we scaled up our award winning NXTHUBs – to provide our franchisees and their customers with a single solution for everything digital from Digital television, broadband and OTT services to CCTV, voice, WiFi and other emerging solutions in future. These owned-and-operated HUBs reflect our technological innovation – giving our franchisees a plug-and-play model to access digital solutions in markets constrained by connectivity. To do full justice to the success of NXTHUBs, we've included a separate section in this report.

Broadband : Crosses the 1,000,000 customer mark!

As one of the key pillars of growth of your Company, we continued to put our collective might behind proliferation of our broadband across markets, especially where we have a foothold through our digital television business. **We're proud to state that we have crossed the 1,000,000-customer mark at the end of the financial year, propelling us to the position of India's fourth largest private Internet Service Provider (ISP)**. More importantly, the ranking establishes the impeccable quality of our product from service delivery and service assurance to the positive customer experience and beyond. Another noteworthy point is our team have focused on every facet of the business – striving to delivery greater throughput at more cost-effective price points. **One clear manifestation is the Customer Acquisition Cost – which has come down**

significantly over the last year by over 7%.

As a national ISP, we are now available in over 150 cities and towns and continue to grow. With clarity on AGR being provided by the Government last year and the positive measures across the board, the broadband business has got a fillip and one can expect growth at a healthy pace – as digitalization of products and solutions drives consumers and enterprises alike to the online space.

ONEDigital : Proudly India's first integrated product offering!

In keeping with our philosophy of staying ahead of the curve and listening to the needs of the consumer, we have recently launched "ONEDigital". **ONEDigital is proudly the first integrated product, offering customers all digital services comprising digital television, broadband, OTT, voice/intercom, building WiFi and CCTV.** This follows on the launch our combo product in early 2022 - offering up to 650 TV services + broadband, with speeds up to 1,000Mbps + up to 300,000 hours of OTT content from leading international and regional platforms.

Whilst the focus has been on Mumbai initially to ensure we derive a true learning of our customers' needs, we have a plan in place to extend the product offering to at least 100 cities and towns during this financial year.

Fiscal 2023 : The vision!

Agility continues to be our mantra – adapting and adopting to the changing market dynamics and deploying emerging technologies. Our foray into broadband-over-satellite and related services, coupled with NXTHUBs and our unique product offering ONEDigital will remain the mainstay as we continue to establish ourselves as a premier digital solutions company.

Our philosophy for the future is best exemplified in our tagline, "Think Digital, Think NXTDIGITAL!"



Mr. Vynsley Fernandes
Managing Director and CEO,
NXTDIGITAL Limited



**Love all.
Have all.**

100 Mbps
Broadband &
500+ Digital TV
channels at
never before prices*

Love Internet. Love Digital TV. Get both in One.



*T&C's Apply



COMPANY VISION

“Think Digital, Think **NXTDIGITAL**”

Advancing technology and diversified offerings under one roof will drive this industry going forward and your Company is committed to leverage the changing dynamics. Companies which focus on developing the latest and emerging technologies which will benefit subscribers to consume ‘integrated services’ will be able to evolve and keep pace with the major changes occurring in the media industry and consumer viewing behavior. **NXTDIGITAL** is committed to bringing all the services under the “Think Digital, think **NXTDIGITAL**” thought excellence. Your Company has and continues to take

steps in this direction of being a truly an “Everything’s Digital” organisation.

The primary objective of your Company is to stay ahead in technology and maintain its competitive edge. Your Company continues to test and explore the constantly evolving global technology landscape and changing consumer behaviours and incorporate these into our consumer offerings.

Your Company now plans to extend its services beyond digital television and broadband in order to provide our customers (retail and enterprise) with video, broadband, OTT aggregation, Voice over IP, CCTV services, building and public WiFi and much more. We believe we are one of the very few companies in the country who can deliver the same through our vast infrastructure, installed capacities and robust partner network.

NXTDIGITAL FORAYS INTO BROADBAND-OVER-SATELLITE AND RELATED SERVICES : INKS BINDING MOU WITH THAICOM

We're proud to share that your company has entered into a binding MOU with THAICOM PUBLIC COMPANY LIMITED, Thailand (Thaicom), forming a strategic partnership to enter the Broadband-over-satellite (BoS) market and related services in India. Our MOU envisages a partnership that includes deployment of BoS systems on India-focused capacity, which could be enhanced to provide future additional capacity on a state-of-art software-defined high throughput satellite; augmenting the existing IPSTAR-1 that is the first broadband satellite in the world and operational over India since several years.

Together, we will look to provide BoS services on IPSTAR-1 - focusing on the rural footprint of India, comprising 60% of our customers today. The BoS service will focus on providing cost-effective and quality broadband and will give a tremendous boost to delivering

education, information, entertainment, health and other services to these markets. It will also look to complement the existing broadband delivery technologies and broadband penetration of our broadband subsidiary, OneOTT Entertainment Limited (OIL).

Thaicom and your Company will also develop and offer a myriad of global emerging digital solutions - critical to the Government's vision and mission of a resilient digital India. These solutions, already developed and deployed by Thaicom elsewhere in the world include satellite artificial intelligence solutions comprising space-based data technologies for agriculture, disaster relief & natural resource management to public WiFi systems and drones for augmenting rural digital solutions. With India's significant dependence on agriculture and the incumbent challenges of crop management – the satellite-based AI will help by providing mission-critical data on tap.

Both companies have also agreed to set up a Centre for Excellence to develop new satellite and related digital based technologies through artificial intelligence and analytics – leveraging deep-tech research and development that both companies are known for.



NXTDIGITAL FOOTPRINT



	 The Hinduja-HITS network



FROM THE DESK OF **WHOLE TIME DIRECTOR & CFO**

Mr. Amar Chintopanth
Whole Time Director & CFO,
NXTDIGITAL Limited

TOWARDS STRONG AND STABLE REVENUE STREAMS

The TV signals distribution industry has over the years, moved from a pure opportunistic “Carriage” based revenue model to a more substantive, sustainable “Subscription” based revenue mode. How has this happened and what has caused this healthy change?

If one looked at the financial statements of the companies in this industry over a decade ago, the composition of revenues was quite different from what it is today. Revenue models have followed the pattern of change in the nature of the business model of these companies over the years. Companies who saw this coming and made neces-

sary changes early on tended to gain while the others took some time in realizing the reality of the situation and then adapted to the model.

The “Pre-digitalization or Analog” period was characterized by over ninety percent of the revenues coming from carriage. The customer was actually not the consumer but the broadcaster. As the carrying capacity of signals was limited in the distribution of TV signals, Broadcasters used to pay Multi System Operators (MSOs) carriage revenues to have their channels carried. MSOs obviously carried signals of broadcasters who paid higher carriage revenue and they in turn provided consumers with all content at rates which had no science attached to them. The franchisees (Local cable operators) determined the price they would charge the consumers and a minuscule of the

amount collected was paid to the MSOs. All collections by LCOs were in cash and payments to MSOs was largely in cash. This obviously was a lumpy revenue stream and a non-sustainable one in the long run both from a technology perspective and a commercial perspective. MSO revenues depended entirely on their bargaining power with broadcasters and LCOs based on perceived subscriber base and not actual subscriber base.

Then came the first major change in the industry starting October 2012 when the Government of India made it mandatory for TV signals to be distributed in a digitized form through the medium of the “Set top box” – the TV signals were distributed in an encrypted form by the MSOs and de-crypted at the customer end through the set top box. This meant that each customer was digitally identified and suddenly things changed radically – the carrying capacity of MSOs increased multitude and at the same time the broadcasters and MSOs realized that the LCOs did not actually have the number of customers they claimed to be servicing. Broadcasters fell shy of such high carriage being paid based on perceived customer bases in the past, which was further fueled by the increase in the carrying capacity due to the signals being transmitted in a digitized form. Carriage revenues began falling and suddenly MSOs realized that consumers should be charged for the channels distributed to compensate for the drop in carriage revenues. As a result two major shifts happened – the consumer became to be recognized as the customer and the MSO transformed to a “Digital Platform Operator” (DPO). Over the next couple of years companies saw subscription income gradually overtaking carriage income. This was more a sustainable model since your revenues depended entirely on the number of customers DPOs serviced and not on negotiated deals with broadcasters as in the past.


There were still problems in this model since the LCOs who were earlier used to paying MSOs lump sum amounts every month based on negotiated deals (based on perceived subscriber numbers) suddenly could not comprehend that they had to pay based on the package rates and number of consumers. So, while the revenue models shifted to subscription revenues, it was still a flimsy model since there was no link to the actual number of subscribers. The other problem in this model was while the DPOs started billing consumers based on packages selected their backend systems did not keep pace with the changing business model. As a result of this, the “Fixed fee” deals signed with content providers and the land grab syndrome

that plagued the industry in the initial years of digitization, DPOs were not in a position to switch off consumers who were not paying.

This phenomenon continued for a couple of years and DPOs realized that the only way to overcome this is to go on a subscriber based billing model and going prepaid. Companies such as NXTDIGITAL Limited (IndusInd Media & Communications Limited) which moved to the prepaid model earlier lost subscribers due to this but took the leap in the interest of healthy revenue streams.

Then came the next major shift in the business model with the implementation of the New Tariff Order (NTO) in February 2019. This ensured that each channel was priced the same by the broadcasters across all digital platforms through an MRP regime and gave the consumer choice of channels. This suddenly changed the way consumers changed their viewing choice. They could select packages, the time periods for which they wanted to watch and everything else which goes with a complete consumer centric business model. This ensured that the revenue streams became completely consumer centric and DPOs had by then implemented better back-end systems which could give consumers their choice. The focus has now shifted on retaining consumers by providing them with what they want, price still not being a major determinant as pricing for channels across DPOs is the same and there is transparency in the process.

These three phases of growth and change in the way the industry has operated has ensured that the revenue models have shifted to “Annuity” models as in the case of utility companies and has ensured stable and stronger revenues.



Mr. Amar Chintopanth
Whole Time Director & CFO,
NXTDIGITAL Limited

NXTDIGITAL'S “NXTHUB” BAGS THE “BEST INNOVATIVE PROJECT OF THE YEAR”

The prestigious National Feather Award for the “Best Innovative Project of the Year” was awarded to your company for its innovative and future-ready digital **NXTHUB** project; at a function in Mumbai in April 2022. The **NXTHUB** is a one-stop digital solution – delivering digital TV, broadband, OTT and WiFi and equipped for adding CCTV, Voice/Intercom and other solutions in future.

The **NXTHUBs** are owned and operated by your company and equipped with the latest technology comprising an ADDS or Advanced Digital Distribution System – with the capability to deliver over 650 Digital TV services received via satellite to Last Mile Owners (LMOs) and their end subscribers. **NXTHUB's** avant-garde technology, with the plug-and-play model eliminates the need for LMOs to invest in headend and related technology, whilst being

able to give their customers, the width and depth of digital services. Expanding the current offering that includes digital video, broadband, OTT and WiFi; these **NXTHUBs** are future-ready to offer a slew of additional digital services to a wider geography.

At present, we have successfully established 90 **NXTHUBs** across the length and breadth of the country, covering big and small cities and towns alike. Your Company is in the process of rolling out many more **NXTHUBs**, strengthening its footprint across the country to ensure affordable entertainment and digital products to all, in line with the Prime Minister's vision of “Digital India”.

The rollout of **NXTHUBs** has not only added nearly 100,000 new subscribers across the country, but has also generated employment wherever they have been installed, with direct employment of 100 people and indirect employment of around 200 people including dish antenna manufacturing manpower, dish antenna installation manpower, manpower for import and management of equipment, logistics etc.



Mr. N K Rouse
Chief Operating Officer,
NXTDIGITAL Limited

FROM THE DESK OF CTO

In today's fast-paced technology-focused world, any company that is not researching and exploring new technologies and business models will not be able to keep pace with the changing needs of subscribers and protect their business. NXTDIGITAL's strategy has always been to explore new technologies to ensure that the company stays not just relevant with the times but more importantly addresses its subscribers' current and future needs.

This year's theme of "Think Digital, Think NXTDIGITAL" was introduced into the company specifically to focus the entire organisation on developing digital solutions to problems and moving beyond conventional products and solutions.

With customer viewing behaviours metamorphosing and new technologies becoming prominent in the form of OTT and gaming, it is necessary also for NXTDIGITAL to look at how it can evolve into offering these solutions to our customers, becoming the one-stop-shop for all services delivered into the home. The focus has been on helping our partners/franchisees transition to becoming digital service providers and offering new digital services like OTT, working on potential deployment for broadband over satellite rollouts in India to improve digital inclusion, digital collections and much more. The aim of the exercise is to develop the NXTDIGITAL brand to being synonymous with cutting edge and digital solutions across the media and telecom industry - across the country.

This year saw the extended rollout of NXTHUBs across the country. This initiative to further enhance our footprint has been successful with nearly 100,000 subscribers added in new territories across the country; accessing quality solutions from over 650 television services and broadband with speeds up to 1,000Mbps to accessing OTT content libraries of over 300,000 hours.

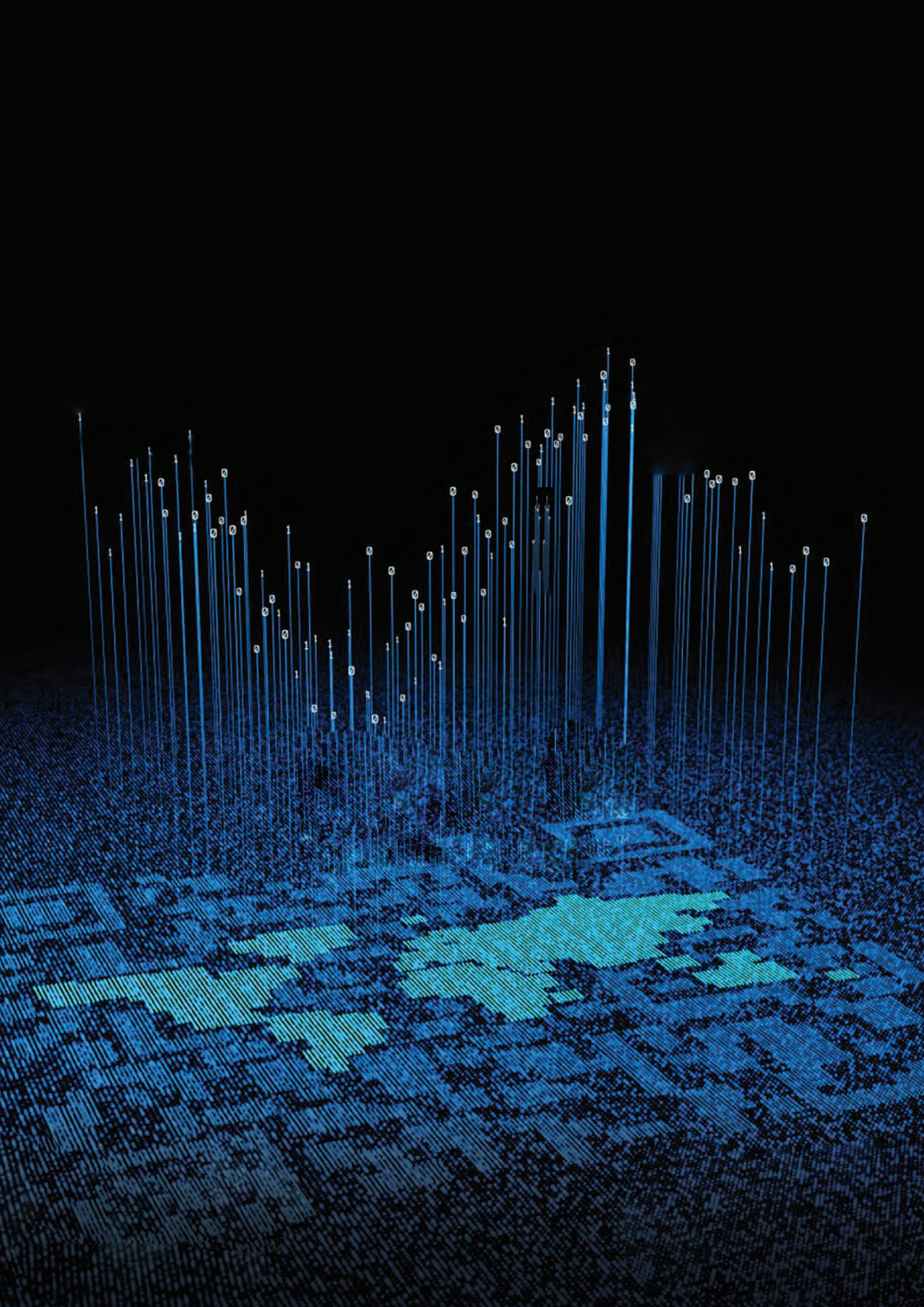
As part of the overall strategy of migrating our cable television services over to the future-ready HITS technology, this year two more cable TV headends (Nashik and Mysore) have been migrated over to the NXTDIGITAL HITS service. This has resulted in both operational cost-efficiencies and improved services to customers. Additional existing digital cable television sites are planned to migrate over to the HITS service coming the year also. Our major digital cable TV headend in Delhi was also migrated to a new location resulting in cost-efficiencies to the business and significantly improved service quality.



In the future, the NXTDIGITAL media business gains access to even more opportunities to extend its digital solution offerings. Our larger planned corporate actions will enable NXTDIGITAL to further enhance its mobile and web-based applications used by its subscribers and partners for accessing NXTDIGITAL services. Artificial intelligence solutions can help to develop better models of subscriber behaviour in order to ensure that we effectively develop products that are suitable for the market. Another great advantage that we perceive is access into new global markets where we can offer its solutions, including our state-of-the-art headend-in-the-sky platform. The company is truly excited about the opportunities that the coming year holds from a future-technology perspective.

Ms. Ru Ediriwira
Chief Technology Officer,
NXTDIGITAL Limited





A control room with a wall of monitors and desks with computers. The room is dimly lit with a blue tint. The wall is covered with a grid of small monitors, each displaying different video feeds or data. In the foreground, there are several desks with large computer monitors, keyboards, and mice. The overall atmosphere is professional and technical.

WE ARE PLEASED
TO PRESENT OUR
ANNUAL REPORT
2021-22

GENERAL INFORMATION

NXTDIGITAL LIMITED

CIN NO: L51900MH1985PLC036896

Board of Directors

Mr. Ashok P. Hinduja	:	Non-Executive Chairman
Mr. Anil Harish	:	Independent Director
Mr. Prashant Asher	:	Independent Director
Ms. Bhumika Batra	:	Independent Director
Mr. Munesh Khanna	:	Independent Director*
Mr. Sudhanshu Tripathi	:	Non-Executive Director
Mr. Vynsley Fernandes	:	Managing Director & CEO
Mr. Amar Chintopanth	:	Whole Time Director & CFO

Committees of the Board

Audit Committee

Mr. Anil Harish, Chairman
 Ms. Bhumika Batra
 Mr. Sudhanshu Tripathi
 Mr. Munesh Khanna (w.e.f. August 13, 2021)

Nomination and Remuneration Committee

Mr. Anil Harish, Chairman
 Mr. Prashant Asher
 Mr. Sudhanshu Tripathi

Stakeholder Relationship Committee

Ms. Bhumika Batra, Chairperson
 Mr. Sudhanshu Tripathi
 Mr. Amar Chintopanth

Corporate Social Responsibility Committee

Mr. Prashant Asher, Chairman
 Mr. Sudhanshu Tripathi
 Mr. Amar Chintopanth

Risk Management Committee

Ms. Bhumika Batra, Chairperson
 Mr. Anil Harish
 Mr. Vynsley Fernandes
 Mr. Amar Chintopanth

Company Secretary

Mr. Ashish Pandey

Management Team

Mr. N K Rouse, Chief Operating Officer
 Ms. Ruwanmali Ediriwira, CTO
 Mr. Ajay Sharma, General Counsel

Statutory Auditors

Haribhakti & Co. LLP
 Chartered Accountants

Solicitors and Advocates

Crawford Bayley & Co.

Bankers

Yes Bank Limited
 IndusInd Bank Limited

Registered Office

IN CENTRE, 49/50, MIDC
 12th Road, Andheri (East)
 Mumbai – 400 093
 Tel: (91 22) 2820 8585
 Email: investorgrievances@nxtdigital.in
 Website: www.nxtdigital.co.in

Registrar and Share Transfer Agent

KFin Technologies Limited
 (Formerly known as KFin Technologies Private Limited)
 Kavy Selenium, Tower B, Plot 31-32
 Gachibowli Financial District
 Hyderabad – 500 032
 Tel.:(91 040) 67162222/67161525
 Email: einward.ris@kfinotech.com

*Mr. Munesh Khanna has been appointed as an Independent Director w.e.f. May 13, 2021.

BOARD'S REPORT

To the Members,

The Board of Directors are pleased to present the Thirty-Seventh Annual Report of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2022.

FINANCIAL RESULTS

The Company's financial results for the financial year (FY) ended March 31, 2022 are summarized as under:

(₹ in Crores)

Particulars	FY 2021-22		FY 2020-21	
	Standalone	Consolidated	Standalone	Consolidated
Total income	763.79	1152.18	707.39	1008.45
Total expenses	575.25	895.96	552.60	776.34
Earnings before Interest, Depreciation, and Taxes (EBIDTA)	188.54	256.22	154.79	232.11
Finance Costs	118.08	136.12	127.95	142.65
Depreciation and Amortization	175.88	223.29	178.52	203.98
Profit/(Loss) before Tax from continuing operations	(105.42)	(103.19)	(151.69)	(114.55)
Taxes	(64.02)	(105.16)	(96.73)	(98.19)
Profit/(Loss) after Tax from continuing operations	(41.40)	1.97	(54.96)	(16.36)

REVIEW OF FINANCIAL PERFORMANCE

On a consolidated basis, the Company clocked a revenue of ₹1152.18 Crores for the year ended March 31, 2022. Earnings before Interest, Depreciation and Taxes (EBIDTA) at ₹ 256.22 Crores grew at 10.39% over the previous year's EBIDTA of ₹ 232.11 Crores. During the year, the Company's operations in the Media & Communications space has remained stable and profitable; the Company has during the year monetized a part of its real estate assets held as stock in trade in its Real Estate segment. These two factors have contributed towards the growth in EBIDTA.

DIVIDEND

The Board of Directors, at their meeting held on May 18, 2022, have recommended the payment of dividend of ₹ 4.00 (Rupees Four only) per equity share (previous year ₹ 4.00 per equity share), i.e., 40% of the face value of equity share of ₹ 10/- each for the financial year 2021-22. Payment of such dividend is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at <https://www.nxtdigital.co.in/investors/corporate-policies/>

TRANSFER TO RESERVES

During the financial year ended March 31, 2022, no amount has been transferred to the reserves.

RIGHTS ISSUE OF EQUITY SHARES

During the year 2021-22, the Company completed the Rights Issue of equity shares after obtaining necessary applicable approvals of Regulatory and Statutory Bodies. The Rights Issue was opened for subscription on November 15, 2021 and closed on November 29, 2021. In this process, the Company, on December 4, 2021, had issued and allotted 96,20,493 equity shares of face value of ₹ 10/- each ("Rights Equity Shares") for cash at the offer price of ₹ 300/- per equity share including premium of ₹ 290/- per Rights Equity Share, aggregating to ₹ 288.61 Crores on a Rights Basis to the eligible equity shareholders of the Company in the ratio of 2 (two) Rights Equity Shares for every 5 (five) equity shares held by the eligible equity shareholders on the record date October 25, 2021. Listing approvals and trading approvals were accorded by the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)

on Rights Equity Shares on December 6, 2021 and December 8, 2021 respectively. The funds raised ₹ 288.61 Crores through rights issue has been utilized fully according to the objects of the issue specified in the rights issue offer document.

CHANGES IN CAPITAL STRUCTURE

During the year under review, paid-up equity share capital of the Company has been increased from ₹ 24,05,11,580/- divided into 2,40,51,158 equity shares of ₹ 10/- each to ₹ 33,67,16,210/- divided into 3,36,71,621 equity shares of ₹ 10/- each subsequent to issue and allotment of fully paid up 96,20,463 Rights Equity Shares of ₹ 10/- each at the premium of ₹ 290/- per share to the eligible shareholders of the Company. Except this, there is no change in the capital structure of the Company.

SCHEMES OF ARRANGEMENT

a) Demerger of Digital, Media and Communications Business Undertaking into Hinduja Global Solutions Limited

The Board of Directors, at their meeting held on January 14, 2022, accorded in-principle approval for the reorganization of Digital, Media and Communications Business of the Company with Hinduja Global Solutions Limited. Subsequently, the Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or "HGS") and their respective shareholders pursuant to Section 230-232 and other applicable provisions of the Companies Act, 2013 was approved by the Board at its meeting held on February 17, 2022 wherein the Digital, Media and Communications Undertaking and investments in the subsidiaries on going concern basis and allied activities (the "Demerged Undertaking") of the Demerged Company would stand transferred to and vested in Resulting Company with effect from the appointed date i.e. February 01, 2022, subject to all statutory or regulatory approvals and approval of the shareholders. The share exchange ratio, determined and recommended by the Independent Registered Valuers, M/s SSPA & Co., Chartered Accountants and M/s KPMG Valuation Services LLP, approved by the Board, is as under:

20 (Twenty) equity shares of the face value ₹ 10/- each of HGS shall be issued and allotted as fully paid up for every 63 (Sixty Three) equity shares of the face value of 10/- each fully paid up held in NDL.

Thereafter, the Company had filed the application to the BSE and NSE on February 25, 2022 and February 26, 2022 respectively for seeking their NOC on the Scheme under Regulation 37 of the SEBI Listing Regulations for proposed Scheme of Arrangement. BSE and

NSE raised their observations which have been satisfactorily replied by the Company. The BSE and NSE, after receiving the clearance from the SEBI, issued their observation letters to the Company vide letter Ref No. DCS/AMAL/TL/IP/2346/2022-23 dated May 31, 2022 and Ref No. NSE/LIST/30195_II dated May 31, 2022 respectively stating that they have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the Company to file the scheme with Hon'ble NCLT.

The Company had filed the Company Scheme Application on June 09, 2022 vide Application No. C.A. (CAA) – 155/2022 with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, seeking approval on the Scheme of Arrangement. After hearing the case, the NCLT vide its Order dated July 29, 2022 has, *inter-alia*, directed the Company to convene the meeting of equity shareholders on September 2, 2022 for their approval on the Scheme. All the necessary steps have been taken in compliance of NCLT's direction as contained in the said Order.

b) Merger of Hinduja Leyland Finance Limited with the Company

The Board of Directors, at their meeting held on March 16, 2022, accorded in-principle approval for merger of Hinduja Leyland Finance Limited (HLFL), a Non-Banking Finance Company (NBFC) with the Company subject to all statutory or regulatory approvals and approval of the shareholders.

Post the decision to transfer the Digital, Media & Communications Business undertaking to Hinduja Global Solutions Limited, (which is subject to necessary regulatory and shareholder approvals), the Company had been evaluating various proposals in line with its objective of pursuing high growth-oriented business opportunities that could bring in incremental value. In line with this commitment to create value for its shareholders, this merger will enable the shareholders of the Company to participate in and be a part of the aggressive growth plans of HLFL. As per information available with the Company, HLFL is one of India's leading finance NBFCs with an AUM of over ₹ 29,000 Crores and a pan-India presence in 1,550 locations across 23 states and 2 Union territories. Through a vast network of branches, HLFL finances a wide range of commercial and personal vehicles, from medium and heavy commercial vehicles, light commercial vehicles and small commercial vehicles to cars, multi-utility vehicles, three wheelers, and two wheelers, as well as various kinds of used vehicles. HLFL is a subsidiary of Ashok

Leyland Limited. The proposed acquisition will result in the merged entity having assets aggregating above ₹ 29,000 Crores and the shareholders receiving shares pursuant to the share swap valuation. The Company had appointed Independent Registered Valuers M/s SSPA & Co., Chartered Accountants and M/s KPMG Valuation Services LLP to carry out the valuation including share exchange ratio.

The Board, at its meeting, held on August 16, 2022, approved the Scheme of Merger by Absorption under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 (including any statutory modification or re-enactment or amendment thereof), as may be applicable, for the merger by absorption of Hinduja Leyland Finance Limited (the "Transferor Company" or "HLFL") into NXTDIGITAL Limited (the "Transferee Company" or "NDL") and their respective shareholders wherein with effect from the Appointed Date i.e. April 1, 2022 and upon this Scheme coming into effect, the Transferor Company along with its Undertaking, as defined in the Scheme, shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the Scheme, including share exchange ratio determined and recommended by the said Independent Registered Valuers as under:

23 (Twenty-Three) equity shares of the face value ₹ 10/- each of NDL shall be issued and allotted as fully paid up for every 10 (Ten) equity shares of the face value of ₹ 10/- each fully paid up held in HLFL.

The Company is taking further steps to implement the said merger.

such as the International Monetary Fund expected growth to exceed 9% in fiscal 2022. This optimism received a setback in the early part of the year as a wave of omicron infections swept through the country which, though did not last long, did have a level of impact. The Russian invasion of Ukraine in February 2022 further aggravated the pre-existing challenges such as surging inflation, supply shortages, and shifting geopolitical realities across the world with no definite end in sight. And the subsequent confluence of headwinds such as surging commodity prices and disruption in trade and financial transactions quickly deteriorated economic fundamentals that were trending up.

Despite these negative forces, the inherent resilience of the Indian economy, strengthened by the proactive and multiple steps taken by the Government, have ensured the economy has started rebounding with businesses clocking, both revenue and profitability growth, on the road to reaching pre-pandemic levels.

The other good news is that the government's capital spending share is going up even as it is cutting down revenue expenses. India's gross tax collection has beaten all expectations. As per various reports, the total tax collection reached ₹ 27.07 Lakh Crores in FY 21-22, surpassing the government's revised target by a substantial margin. Improved economic activity and better compliance efforts in taxation have aided in better revenues. The tax buoyancy (which is a measure of growth in tax revenues compared to GDP growth), the simplified tax regime with low rates, comprehensive review and rationalization of the tariff structure, and digitization of tax filing are likely to support further capital spending in the future. Higher capital spending on infrastructure and asset-building projects is likely to boost growth multipliers in the medium term.

In short, despite all the challenges faced in the last two years, the Indian economy is now back on the path to growth.

BUSINESS REVIEW

State of the Indian Economy

With a GDP of \$3.1 trillion, India is the world's sixth-largest economy. The country has one of the highest GDP growth rates in the world. India's GDP will likely grow by 8-8.5% in FY22, according to the 2021-22 Economic Survey. Two years into the pandemic, the global economy continued to be plagued by uncertainty with resurgent waves of mutant variants, supply chain disruptions and return of inflation in both; advanced and emerging economies, India being no exception.

As the financial year 2020-21 was coming to a close, there was optimism in the air. India was gearing up for a strong economic recovery—several forecasters

Nature of Business

Your Company is one of India's premier integrated Digital Delivery Platforms Company - delivering services via satellite, digital cable and broadband. With a pan-India reach, your Company delivers television services through a dual delivery platform consisting of digital cable and the country's only Headend-In-The-Sky (HITS) satellite platform, under the brand names INDigital and NXTDIGITAL respectively. The Company's Digital Cable television platform delivers 650+ channels across 100+ cities and towns whilst the HITS service is available in more in over 1,500 cities and towns covering more than 4,500 Pin Codes - with a significant presence in the fastest-growing demographics of semi-urban, semi-rural and rural India. Your company is well established nationally through a franchisee base of

nearly 10,000 Last Mile Owners; delivering digital services to millions of customers across the length and breadth of the country.

It's subsidiary ONEOTT Entertainment Limited is one of India's top 4 private Internet Service Providers and has a strong presence in Broadband and Internet services in 150+ cities. Its services under the brand "ONE Broadband" provides converged services of Video, Data and Voice to consumers by delivering highspeed internet and services across multiple cities in India. With "ONE Gigafiber", the broadband Company also provides FTTH (Fiber to the Home) services for consumers - providing speeds up to 1,000 Mbps.

Media & Entertainment Industry (M&E)

Video:

The Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenue. According to a FICCI-EY report, the advertising to GDP ratio is expected to reach 0.4% by 2025 from 0.38% in 2019.

As per various reports on the M&E Industry, the Indian media and entertainment industry is expected to grow at a CAGR of 8.8 per cent and reach ₹ 4.30 Lakh Crore by 2026. The growth would be paced by digital media and advertising through deeper penetration of the internet and mobile devices in the domestic market, along with traditional media, which will hold their steady growth. As per these reports, TV advertising is expected to reach over ₹ 43,000 Crores by 2026. It will make India the fifth-largest TV advertising market globally, after the US, Japan, China and the UK.

The Indian media and entertainment industry is expected to be around ₹ 3.14 Crores in 2022, registering an overall growth of 11.4 per cent, as per these studies. India's OTT Video services are expected to become a ₹ 21,031 Crores industry in the next four years by 2026, in which ₹ 19,973 Crores would come from subscription-based services and ₹ 1,058 Crores from Transactional VOD (video on demand).

By 2025, the number of connected smart televisions are expected to reach ~40-50 million. 30% of the content viewed on these screens will be gaming, social media, short video and content items produced exclusively for this audience by television, print and radio brands. By 2025, ~600-650 million Indians, will consume short-form videos, with active users spending up to 55 to 60 minutes per day.

According to the FICCI-EY media and entertainment industry survey, those who watch online videos

through bundled packages (online video services bundled with mobile and broadband connections) will account for half of all online video viewers (399 million) by 2023, up from 284 million in 2020.

As of 2020, India registered ~803 million online video viewers, including streaming services and videos on free platforms such as YouTube.

OTT video services market (video-on-demand and 'live') in India is likely to post a CAGR of 29.52% to reach US\$ 5.12 billion by FY26, driven by rapid developments in online platforms and increased demand for quality content among users.

Broadband:

The Internet Service Providers in India are noticing a continual change in the way customers are consuming the internet. There is a rise in the overall data traffic as people are spending more time on data driven video services like Zoom and other teleconferencing solutions for work, study, friends and family meetups, as well as on OTT video platforms.

Since a significant part of the business Internet traffic has shifted from business districts into residential areas with businesses promoting a hybrid work model, some networks like wireless networks face even more challenges. Therefore, the distinction between having a proper wireline Broadband connection and mobile internet is becoming clearer in the minds of consumers now as they opt for a full-fledged broadband service to provide for their increased consumption of Internet services.

India wired broadband market is projected to grow from around \$ 200 million in 2019 to \$ 243 million by 2024. Currently, penetration of wired broadband in the country is very low, which presents an opportunity for the wired broadband companies to expand their presence across the country. According to Telecom Regulatory Authority of India (TRAI), as of March 2021, there were 20.24 million wired broadband subscribers in India compared with around 1,180.96 million wireless broadband subscribers. The India broadband market is anticipated to move towards "bundled" plans offering unlimited calling, cable TV and OTT. Increasing applications of ICT services, low transaction costs and increasing connectivity are further expected to drive the market. Also, the central government has issued Right of Way (RoW) model pertaining to broadband service expansion, which provides a right to the telecom providers to lay down their telecom infrastructure in the country.

The outlook for both the video and broadband offerings though remains bullish as India still remains a largely underpenetrated market for both video and data.

Future outlook:

The future is all about convergence – the device becoming less and less important. Companies which are able to quickly re-position themselves to provide bundled content will be the ones which will survive and grow. Companies which focus on share of wallet, building digital and “phygital” platforms rather than a content focused approach are the ones to win the game in the long run.

In line with the above philosophy your Company has been progressively positioning itself as a digital platform providing a gateway to the consumers to digital content providers. The Company has been taking various steps which include:

- setting up its “owned-and-operated” future-ready digital NXTHUBS across the country which provide a point of presence for all digital offerings; further expanding its network of Last Mile Operators to increase its network of connectivity to the consumers to enable it to expand its offering to a larger market;
- providing new video products including hybrid OTT models, edutech, gaming etc;
- continuing to build upon the successful “Strategic Alliance Partner” aggregator model for acquiring broadband customers, leading to growth in subscriber base in a cost effective model;
- leveraging its content and teleshipping businesses and lastly have a focused approach to Enterprise clients.

All these steps being taken will ensure that the Company is able to identify opportunities and exploit the same.

IMPACT OF COVID-19 PANDEMIC

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months of FY2022, the second wave of the pandemic overwhelmed India’s medical Infrastructure. Through this trying period, all kind of support were provided to affected employees, associates and their families. This was in addition to the self-help and counseling services provided from the start of the pandemic.

Amid the pandemic, the Company launched a pan India vaccination drive for its employees and their families to ensure the safety and well-being of the associates and their families across all the Company’s locations and smaller cities from where some of the employees were remote-working.

Your Company’s operations were continued largely uninterrupted as the Company is operating in Media & Entertainment and Telecom services, the same was covered under the list of COVID-19 “essential services” issued by the Ministry of Home Affairs, Government of India. Hence, no major impact was observed in the business of the Company.

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of the report except as provided in this report.

DETAILS OF SUBSIDIARIES /JOINT VENTURES/ ASSOCIATE COMPANIES

As on March 31, 2022, the Company has total 18 subsidiary companies, both direct and indirect. The Company does not have any associate or joint venture company during the period under review.

A separate statement containing the salient features of financial statements of subsidiaries of the Company in the prescribed Form AOC-1 forms a part of this Annual Report as **Annexure-A**, in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with the Rules issued hereunder.

Pursuant to the provisions of Section 136 of the Act, the audited financial statements of the Company including consolidated financial statements and separate audited financial statements of the subsidiaries are available on the website of the Company at <https://www.nxtdigital.co.in/investors/annual-reports/>

In terms of the provisions of Regulation 24 of SEBI Listing Regulations, IndusInd Media & Communications Limited and OneOTT Intertainment Limited are unlisted material subsidiary of the Company. The policy for determining material subsidiaries formulated by the Board of Directors is disclosed on the Company’s website and is accessible at the link <https://www.nxtdigital.co.in/investors/corporate-policies/>

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Members of the Company at the 36th Annual General Meeting held on September 28, 2021:

- Approved the appointment of Mr. Munesh Narinder Khanna (DIN: 00202521) as a Non-Executive Independent Director of the Company for a period of five (05) years with effect from May 13, 2021 to May 12, 2026.
- Approved the appointment of Mr. Vynsley Fernandes (DIN: 02987818) as a Director.

- c) Approved the appointment and payment of remuneration of Mr. Vynsley Fernandes (DIN: 02987818) as a Managing Director & Chief Executive Officer of the Company for a period of three (03) years with effect from February 26, 2021 upto February 25, 2024 upon existing terms of remuneration as approved by the shareholders at its meeting held on September 30, 2020.

In accordance with the provisions of Section 152(6) of the Act and in terms of the Articles of Association of the Company, Mr. Sudhanshu Kumar Tripathi, Non-Executive Director (DIN: 06431686) will retire by rotation at the ensuing 37th Annual General Meeting ("37th AGM") and is eligible for reappointment. The Board recommends his reappointment for the consideration of the members of the Company at 37th AGM. A brief profile of Mr. Sudhanshu Kumar Tripathi forms part of the Notice convening 37th AGM.

As on the date of this report, the following are the Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act:

- Mr. Vynsley Fernandes, Managing Director & Chief Executive Officer,
- Mr. Amar Chintopanth, Whole Time Director & Chief Financial Officer and
- Mr. Ashish Pandey, Company Secretary

There was no change in the Key Managerial Personnel of the Company during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has, *inter alia*, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules made thereunder, and the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. A certificate from Practicing Company Secretary towards non-disqualification of Directors forms part of this report.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

Your Company's Managing Director & Chief Executive Officer makes a presentation to Board members every quarter, sharing updates about the Company's business strategy, operations, and the key trends in the industry relevant for the Company. These updates help the Board members in keeping abreast of the key changes and their impact on the Company. The Board members are regularly updated on business updates, business models and competitive environment. The Board is also updated on organizational risks, industry review, internal financial controls, changes in corporate and allied laws through presentations and updates made by the respective functional leaders.

In compliance with the requirements of Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of the Familiarization Programme conducted are available on the website of the Company at <http://nxtdigital.co.in/contents/static/hvmedia/abt/pdf/familiarisation-program-independent-directors.pdf>.

CODE OF CONDUCT

All the Directors and senior management have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director & Chief Executive Officer has been annexed as "**Annexure B**" to this Report as required under Regulation 26(3) read with Schedule V(D) of the SEBI Listing Regulations. The Code of Conduct of the Company is available on the website of the Company at <https://www.nxtdigital.co.in/investors/code-of-conduct/>

BOARD MEETINGS HELD DURING THE YEAR

During the financial year 2021-22, the Board met 08 (eight) times.

The details of the meetings of the Board of Directors of the Company held and attended by the Directors

are given in the Corporate Governance Report which forms part of this report.

The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and the SEBI Listing Regulations.

COMMITTEES

As on March 31, 2022, the Board has 6 (six) Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee and Integration Committee. Details of the Committees meetings are furnished in the Corporate Governance Report, which forms part of this report.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. A detailed note on the composition of the Board and its Committees, including its terms of reference is provided in the Corporate Governance Report. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the SEBI Listing Regulations.

COMPOSITION OF THE AUDIT COMMITTEE

Details pertaining to composition of the Audit Committee are included in the Corporate Governance Report, which forms part of this report.

REGISTRAR & TRANSFER AGENT

The name of the Company's Registrar and Transfer Agent (RTA), Kfin Technologies Private Limited, has been changed to Kfin Technologies Limited in the year 2021-22. Except this, there is no change in terms and conditions with the RTA.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, AND DIRECTORS

In the financial year under review, the evaluation of the annual performance of individual Directors including the Chairman of the Company and Independent Directors, Board and Committees of the Board was carried out under the provisions of the Act, relevant rules, and the Corporate Governance requirements as prescribed under Regulation 17 of SEBI Listing Regulations. For performance evaluation of the Board, its Committees and individual Directors, the Company had engaged the services of a specialized agency to undertake the evaluation process. The manner in which the Board

has carried out the evaluation in consultation with such a specialized agency has been explained in the Corporate Governance Report, which forms part of this report.

The Independent Directors at their separate meeting review the performance of Non-Independent Directors and the Board as a whole, Chairman of the Company after taking into account the views of Executive Director and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board also assessed the fulfillment of the independence criteria as specified in SEBI Listing Regulations, by the Independent Directors of the Company and their independence from the management.

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by the internal, statutory, cost, and secretarial auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

In terms of Sections 134(3)(c) and 134(5) of the Act, the Board of Directors make following statements that:

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as of March 31, 2022, and of the profit/loss of the Company for the year ended on that date;
- c. the Directors have taken proper and enough care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND CRITERIA FOR APPOINTMENT OF DIRECTORS

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the SEBI Listing Regulations. The Remuneration Policy has been attached in the Corporate Governance Report, which forms part of this report. The policy is available on the Company's website at <https://www.nxtdigital.co.in/investors/corporate-policies/>

The Nomination and Remuneration Committee (NRC) has articulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

Independence: In accordance with the above criteria, a director will be considered as an 'Independent Director' if he/she meets the criteria for Independence as laid down in the Act and Rules framed thereunder, as amended and Regulation 16(1)(b) of the SEBI Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement.

CORPORATE GOVERNANCE REPORT

Your Company's approach to corporate governance and the role it plays in its life goes well beyond meeting our compliance obligations. Our governance framework fosters our high-performing culture while underpinning our principles of integrity, customer focus, collaboration, innovation, sustainability and stakeholder delight. The Company has unfailingly upheld the highest standards of governance and conducted business with integrity and fairness. The trust gained in the process has ensured that the Company are better placed to assess and manage risks, address issues that are material to our stakeholders, and take the right decisions that balance the interests of all.

Your Company has complied with the Corporate Governance requirements specified under SEBI Listing Regulations during the year under review. A detailed report on Corporate Governance as required under Regulation 34 read with Schedule V of the SEBI Listing Regulations is annexed as "**Annexure C**" to this report.

As required by Schedule V(E) of the SEBI Listing Regulations, a certificate from Practicing Company Secretary certifying that the Company has complied with the conditions of Corporate Governance as required therein is annexed as "**Annexure D**" to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as stipulated under Part B of Schedule V read with Regulation 34(3) of the SEBI Listing Regulations is presented as "**Annexure E**" to this report.

BUSINESS RESPONSIBILITY REPORT

The Securities and Exchange Board of India ('SEBI') in May, 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report ('BRSR'). BRSR is a notable departure from the existing Business Responsibility Report ('BRR') and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of environment, social and governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalization, to transition to BRSR from FY 2022-23 onwards.

For financial year 2021-22, the Company continued to report in existing Business Responsibility Report (BRR). Such report forms part of this report and is also made available on the website of the Company at: <https://www.nxtdigital.co.in/investors/annual-reports/>. BRR report is attached and marked as "**Annexure F**" to this report.

PUBLIC DEPOSITS

During the financial year 2021-22, the Company has not accepted any deposits from the public within the meaning of Chapter V of the Act, and rules made thereunder.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Financial Controls ('IFC') framework, commensurate with the size, scale, and complexity of the Company's operations. The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls (IFC) have been laid down by the Company and that such controls are adequate and operating effectively. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the Companies Act, 2013. The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. Business heads are responsible to ensure compliance with these policies and procedures. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues.

The management, statutory auditors and internal auditors have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. Your Company believes that internal control is a prerequisite of governance and that action emanating out of agreed business plans should be exercised within a framework of checks and balances. The management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. The Company uses enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. Entity Level Control framework document has been documented.

The Company has an Internal Audit function that identifies the critical audit areas with specific reference to operations, accounting, and finance. The Internal Auditor reviews the adequacy of the internal controls and risks in such audit areas every quarter. The audit is based on the Internal Audit Plan, which is reviewed and approved by the Audit Committee. Based on the observations of the Internal Auditor, corrective actions are undertaken by the owners in their respective areas and thereby strengthening the internal control.

The Internal Control System of your Company is tested on a yearly basis by a specialized external audit firm.

Your Company has complied with specific requirements as laid under Section 134(5)(e) of the Act, which calls for establishment and implementation of the Internal Financial Control framework that supports compliance with requirements of the Act in relation to the Director's Responsibility Statement.

The Audit Committee, based on its evaluation, has concluded that as on March 31, 2022, your Company's internal financial controls were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

A copy of Annual Return is placed on the website of the Company at <https://nxtdigital.co.in/investors/annual-reports/> pursuant to the Companies (Management and Administration) Rules, 2020 as amended.

LOANS, GUARANTEES, AND INVESTMENTS

Particulars of loans given, investments made, guarantees given, and securities provided are given in note nos. 6, 7 and 8 of the Notes forming part of Financial Statements.

RELATED PARTY TRANSACTIONS

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework, formulated and adopted by the Company.

The SEBI vide amendments to the SEBI Listing Regulations had introduced substantial changes in the related party transaction framework, *inter alia*, by enhancing the purview of the definition of related party, and overall scope of transactions with related parties effective April 01, 2022 or unless otherwise specified in the amendment.

The Board of Directors on recommendations of the Audit Committee approved the revised 'Policy on dealing with and materiality of related party transactions' and related party framework of the Company to align it with the amendments notified

by SEBI. All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act.

The Company's policy on dealing with and materiality of related party transactions is available on the website of the Company at <https://www.nxtdigital.co.in/investors/corporate-policies/>. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. There were no transactions of the Company with any person or entity belonging to the Promoter(s)/Promoter(s) Group which individually holds 10% or more shareholding in the Company.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in note no. 39 to the standalone financial statements of the Company. The Company in terms of Regulation 23 of the SEBI Listing Regulations submits within the stipulated time from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the specified format to the BSE and NSE. The said disclosures are available on the website of the Company at <https://www.nxtdigital.co.in/investors/financial-results-2/>.

All transactions entered into with Related Parties as defined under Section 2(76) of the Act and the SEBI Listing Regulations during the financial year 2021-22 were in the ordinary course of business and at arm's length basis and do not attract the provisions of Section 188 of the Act, hence, no particulars in Form AOC-2 have been furnished.

AUDITORS:

Statutory Auditors:

Under Section 139(2) of the Act, and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the shareholders. In line with the requirement of the Act, Statutory Auditors M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W/W100048) were appointed as Statutory Auditors at the 35th AGM of the Company held on September 30, 2020 for a term of five years from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting.

M/s. Haribhakti & Co. LLP, Chartered Accountants has confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

The Auditors have issued an unmodified opinion on the Financial Statements, both Standalone and Consolidated for the financial year 2021-22 and the Auditor's Report forms part of this Annual Report.

The Board of Directors at their meeting held on August 27, 2022 has appointed M/s. S K Patodia & Associates, Chartered Accountants (Firm Registration No. 112723W) as Joint Statutory Auditors of the Company for a period of three years commencing from the conclusion of ensuing 37th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company. M/s. S K Patodia & Associates, Chartered Accountants (Firm Registration No. 112723W) has confirmed their eligibility for appointment as a Joint Statutory Auditors of the Company.

The Board recommends the appointment of Joint Statutory Auditors for consideration of the members of the Company at the ensuing 37th AGM.

Secretarial Auditors:

The Board had appointed Ms. Rupal Jhaveri, a Company Secretary in Whole-Time Practice (CP: 4225) to undertake Secretarial Audit for the financial year 2021-22 pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in the Form No. MR-3 for the year ended March 31, 2022 is annexed as "Annexure G" to this Report including the Secretarial Audit Report of Material Subsidiary Companies.

The Secretarial Audit Reports for the year under review does not contain any qualifications, reservations, or adverse remarks.

Cost Auditors:

During the year under review, in accordance with Section 148 of the Act and rules framed there under, the Board of Directors on the recommendation of the Audit Committee had appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration No. 000036), as Cost Auditors of the Company for the financial year 2021-22 to audit the accounts relating to Dark Optic Fiber Leasing for the financial year ended March 31, 2022.

The Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration No. 000036), as Cost Auditors of the Company for the financial year 2022-23 to audit the accounts relating to Dark Optic Fiber Leasing for the financial year ended March 31, 2023. Necessary resolution for ratification of remuneration of the Cost Auditor for the financial year 2022-23 will be placed before the Members for ratification/approval at the 37th AGM.

NO REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee under section 143(12) of the

Act, any instances of fraud committed against the Company, by its officers or employees, the details of which would need to be mentioned in the Board's report.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee and the meetings held are detailed in the Corporate Governance Report, forming part of this Report. The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee are available on the website of the Company and can be accessed through the web link: <https://www.nxtdigital.co.in/investors/corporate-policies/>.

The CSR Committee at its meeting held on January 27, 2022 arrived at a conclusion that considering, average loss for the last three years, as computed for the financial year 2021-2022, there would not be any statutory obligation to provide the funds for CSR activities. The Board at its meeting held on February 12, 2022 reviewed and confirmed the same.

The annual report on CSR activities containing details of expenditure incurred, if any, by the Company and brief details on the CSR activities are provided in the "Annexure- H" to this report.

WHISTLE BLOWER / VIGIL MECHANISM

Your Company always believes in promoting a culture of trust and transparency. The vigil mechanism in the Company resonates with the same values. The Company has a Vigil Mechanism that provides a formal channel for all its Directors, employees and stakeholders to approach the Chairman of the Audit Committee and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Code of Conduct. No person is denied access to the Chairman of the Audit Committee. Your Company affirms that no Director or employee has been denied access to the Chairperson of the Audit Committee and that no complaints were received during the year 2021-22.

The Company has adopted a policy on Whistle Blower / Vigil Mechanism, and the same is uploaded on the website of the Company at the web link: <https://www.nxtdigital.co.in/investors/corporate-policies/>

RISK MANAGEMENT

There exists a robust risk management policy and framework operating across the Company. The major risks and concerns are periodically reviewed and mitigation plans are formulated.

As part of the assessment, the risk slate is periodically revisited through a top-down and bottom-up approach where select employees/risk owners identify key probable risks. Based on feedback received, risk prioritisation is done, key risks are shortlisted and assigned to the risk owners to help them define mitigation plans, along with key elements for monitoring, including relevant measures and milestones. The identified mitigation plans are monitored at periodic intervals to assess progress and measure if residual risks are within the organisation's risk appetite.

A Risk Management Committee is formed by the Board of Directors with the responsibility of overseeing various strategic, operational and financial risks that the organization faces, along with the adequacy of mitigation plans to address such risks. The Corporate Governance Report, which forms part of this report, contains the details of Risk Management Committee of the Company.

The risk management policy of the Company lays down the risk strategy of the Company and helps in determining the risk factor, categorizing the various forms of risks affecting the Company's strategic and financial goals and modes to manage such risks.

The Audit Committee and Board are updated on how each of the identified risks is monitored during the reporting period to ensure that there is no adverse impact on the Company.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India.

The Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

CREDIT RATING

As on March 31, 2022, the Company had credit rating "ACUITE A+/Stable" in respect of financial facilities aggregating to ₹ 320 Crores, assigned by Acuite Ratings & Research Limited, a Credit Rating Agency.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace. The Company has

adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the financial year ended March 31, 2022, the Company has received NIL complaints pertaining to sexual harassment.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Sections 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividends, if not paid or claimed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of such dividends which have not been paid or claimed for a period of 7 (seven) consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

During the year, the Company has transferred the unclaimed and unpaid dividends of ₹ 3,57,240/- (Rupees Three Lakhs Fifty Seven Thousand Two Hundred and Forty Only).

Further, 871 nos. equity shares on which dividends were unclaimed for seven consecutive years were transferred as per the requirements of the IEPF Rules. The details are provided in the Corporate Governance Report of this report under heading Unpaid/Unclaimed Dividend and are also available on our Company’s website at the web link at <https://www.nxtdigital.co.in/investors/unclaimed-dividend/>.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Conservation of Energy, Research and Development and Technology Absorption pursuant to Section 134(3)(m) of the Act during the year under review and the details of Foreign Exchange Earnings and Outgo are as under:

Conservation of Energy:

During the year under review, the Company was not engaged in any manufacturing or processing activity. Considering the nature of the Company’s business, there is no reporting to be made on conservation of energy in its operations.

Notwithstanding the above, the Company recognises the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmental friendly and energy efficient manner. Regular efforts are made to conserve energy. The Company evaluates the possibilities and various alternatives to reduce energy consumption. Further, the use of low energy consuming LED lightings is being encouraged. Use of electricity was less during the year 2021-22, as Company had encouraged its employees to work from home due to lockdown caused by covid pandemic.

Technology absorption:

The Company is not engaged in manufacturing activities; therefore, disclosures on technology absorption and conservation of energy, etc. are not applicable.

Foreign Exchange Earnings and Outgo:

The summary of foreign exchange earnings and outgo during the year 2021-22 are detailed hereunder:

(₹ in Crores)		
Foreign Exchange	Earning	Outgo
FY 2020-21	NIL	239.16
FY 2021-22	NIL	122.40

EMPLOYEES PARTICULARS AND RELATED DISCLOSURES

At your Company, careers don’t stand still and talent transformation is an important focus area. It begins with sensing employee needs and responding with a value proposition that delivers meaning, purpose and value for them. It builds synergy between how we look to differentiate ourselves as a Company and deliver on the expectations of our employees.

We have a three-pronged strategy to deliver value to our employees:

- Inspire our people with meaningful work and passionate teams, enabling them to find purpose and make an indelible impact.
- Ensure that our people, are continuously learning and progressing in their careers, and shaping our collective future.
- Create opportunities for every employee to navigate further, powered by our culture and partnered by other associated with shared aspirations.

Your Director’s would like to take this opportunity to express their appreciation for the passion, dedication and commitment of the employees of the Company

and look forward to their continued contribution.

Disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as “**Annexure I**” to this Report.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the “**Annexure - J**” forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said statement is also open for inspection at the Registered Office of the Company, up to the date of the 37th AGM. Any Member interested in obtaining a copy of the same may write to Company Secretary of the Company.

COMMUNICATION AND PUBLIC RELATIONS

Your Company has continuously endeavored to increase awareness among its stakeholders and in the market place about the Company’s strategy, new developments and financial performance as per rules laid down by the regulatory authorities like SEBI etc.

GENERAL DISCLOSURES

- 1) No significant or material orders except stated above were passed by any Regulator or Court or Tribunal, which can have an impact on the going concern status and the Company’s operations in the future.
- 2) There are no material changes and commitments that have occurred between the end of the

financial year of the Company and the date of this report, which affects the financial position of the Company.

- 3) The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.
- 4) No application has been made under the Insolvency and Bankruptcy Code; hence, the requirement to disclose the details of application made or any proceeding pending under Insolvency and bankruptcy Code, 2016 during the financial year along with their status as at the end of the financial year is not applicable.
- 5) The requirement to disclose the details of difference of difference amount of valuation done at the time of onetime settlement and the valuation done while taking loan from the Bank or financial institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENTS

Your Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. We, thank, our customers, vendors, investors, business associates, bankers, Regulatory and Government Authorities for their continued support during the year and look forward to their continued support in the future.

We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

Ashok P. Hinduja
Chairman

Place: Mumbai
Date: August 27, 2022

Annexure “A” to the Board’s Report

Form AOC-1

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries Companies / Associates Companies / Joint Ventures
Part “A” : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts)

Sr. No.	Name of Subsidiary Company	Reporting Period	Reporting Currency	Exchange Rate	Paid up Capital	Reserves	Total Assets	Total Liabilities	Investments (except in case of Investments in the subsidiary)	Turnover Income	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
	Direct Subsidiaries:														
1	IndusInd Media and Communications Limited	Apr - Mar	₹	1.00	4,865.77	3,227.15	16,422.85	8,329.93	-	4,581.36	358.65	-	358.65	Nil	77.55%
2	OneOTT Entertainment Limited	Apr - Mar	₹	1.00	2,822.12	30,244.09	62,545.95	29,479.74	-	25,521.21	59.68	(4,544.90)	4,604.58	Nil	71.65%
	Indirect Subsidiaries :														
1	Ajanta Sky Darshan Private Limited	Apr - Mar	₹	1.00	2	(15.13)	105.94	119.07	-	-	(2.24)	-	(2.24)	Nil	51.00%
2	Sangli Media Services Private Limited	Apr - Mar	₹	1.00	102.04	(15.19)	354.60	267.75	0.03	254.22	(7.05)	(2.23)	(4.82)	Nil	51.00%
3	United Mysore Network Private Limited	Apr - Mar	₹	1.00	227.33	(281.90)	3.85	58.42	-	-	54.83	-	54.83	Nil	99.45%
4	Gold Star Infotainment Private Limited	Apr - Mar	₹	1.00	92.73	(95.09)	-	2.36	-	-	4.40	-	4.40	Nil	98.92%
5	Sainath In Entertainment Private Limited	Apr - Mar	₹	1.00	50.00	(355.99)	165.28	471.27	-	247.42	(8.30)	(0.39)	(7.91)	Nil	51.00%
6	Daripita Trading Company Private Limited	Apr - Mar	₹	1.00	100	(128.45)	1,659.80	1,688.25	-	2,348.45	191.58	125.17	66.41	Nil	51.00%
7	Gold Star Noida Network Private Limited	Apr - Mar	₹	1.00	262.00	(845.58)	82.60	666.18	-	-	116.08	-	116.08	Nil	100.00%
8	USN Networks Private Limited	Apr - Mar	₹	1.00	186.97	(220.58)	5.45	39.06	-	-	26.49	-	26.49	Nil	100.00%
9	Bhima Riddhi Infotainment Private Limited	Apr - Mar	₹	1.00	102.04	1,727.87	2,924.44	2,924.44	0.88	6,957.30	485.38	(105.45)	379.93	Nil	51.00%
10	Sunny Infotainment Private Limited	Apr - Mar	₹	1.00	15.00	(77.46)	18.44	80.90	-	-	49.04	-	49.04	Nil	51.00%
11	Apna Incable Broadband Services Private Limited	Apr - Mar	₹	1.00	173.50	(347.82)	-	174.32	-	-	115.64	-	115.64	Nil	100.00%
12	RBL Digital Cable Network Private Limited	Apr - Mar	₹	1.00	10.00	2.74	13.74	1.00	-	-	9.21	-	9.21	Nil	51.00%
13	Vistaar Telecommunication and Infrastructure Private Limited	Apr - Mar	₹	1.00	2.04	(105.23)	14.44	117.62	-	-	(39.64)	-	39.64	Nil	51.00%
14	Vinsat Digital Private Limited	Apr - Mar	₹	1.00	38.18	322.43	778.62	418.01	-	325.02	(209.93)	(30.61)	(179.32)	Nil	51.15%
15	IN Entertainment (India) Limited	Apr - Mar	₹	1.00	607.50	11,546.59	32,229.10	20,075.01	113.83	7,750.88	(148.42)	(30.23)	(118.19)	Nil	100.00%
16	Onemahant Entertainment Private Limited	Apr - Mar	₹	1.00	101.00	1.43	5,351.60	5,249.17	-	1,479.33	0.17	-	0.17	Nil	100.00%

Part ‘B’: Associates and Joint Ventures - NIL

For and on behalf of the NXTDIGITAL LIMITED

Vynsley Fernandes
Managing Director & CEO
DIN: 02987818

Amar Chintopanath
Whole Time Director & CFO
DIN: 00048789

Anil Harish
Director
DIN 00001685

Ashish Pandey
Company Secretary
FCS No. 6078

Place: Mumbai
Date : August 27, 2022

Annexure “B” to the Board’s Report Confirmation towards Code of Conduct

The Board of Directors

NXTDIGITAL LIMITED

IN Centre, 49/50 MIDC,
12th Road, Andheri (East),
Mumbai - 400 093.

Dear Sirs/Madam,

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2022.

Vynsley Fernandes
Managing Director & CEO
DIN No: 02987818

Place: Mumbai
Date: August 9, 2022

Annexure “C” to the Board’s Report

Report on Corporate Governance

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company’s hallmark inherited from its culture and ethos. At NXTDIGITAL, it is imperative that our Company’s affairs are managed in a fair and transparent manner.

We are committed to defining, following, and practicing the highest level of corporate governance across all our business functions. Our corporate governance is a statement of the values we stand by as we conduct our business and engage with our stakeholders. We ensure that we evolve and follow not just the stated corporate governance guidelines, but also best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as applicable, with regard to corporate governance.

The detailed report on the compliance is given hereunder:

2. BOARD OF DIRECTORS

A. Composition and Category:

The Company’s Board has an appropriate mix of Executive, Non-Executive and Independent Directors which enables the Board to provide effective leadership, strategic guidance, objective and independent view to the Company’s management.

The Independent Directors of the Company continue to bring a balanced perspective to the Board deliberations including issues of strategy, risk management and overall governance by assessing the matters objectively.

As on March 31, 2022, the Board of Directors of the Company comprised of eight (8) Directors. Out of the total eight (8) directors, six (6) (i.e. 75%) are Non-Executive Directors out of which 4 (four) (i.e. 50%) are Independent Directors including Women Director.

The composition of the Board is in conformity with Section 149 and 152 of the Companies Act, 2013 (‘the Act’) and Regulation 17 of the SEBI Listing Regulations.

Composition of the Board of Directors is as follows:

Name of Directors	DIN	Category
Mr. Ashok P. Hinduja	00123180	Chairman -Non-Executive Director-Promoter
Mr. Anil Harish	00001685	Independent Director
Mr. Prashant Asher	00274409	Independent Director
Ms. Bhumika Batra	03502004	Independent Director
Mr. Munesh Khanna*	00202521	Independent Director
Mr. Sudhanshu Tripathi	06431686	Non-Executive Director
Mr. Vynsley Fernandes	02987818	Managing Director & CEO
Mr. Amar Chintopanth	00048789	Whole-Time Director & CFO

*Mr. Munesh Khanna was appointed as an Independent Director with effect from May 13, 2021.

B. Board Meetings held during the year:

Eight (08) Board Meetings were held during the year under review as under:

Date of Board Meetings	Board Strength	No. of Directors present
May 13, 2021	8	7
August 13, 2021	8	8
November 11, 2021	8	8
December 01, 2021	8	7
January 14, 2022	8	7
February 12, 2022	8	7
February 17, 2022	8	7
March 16, 2022	8	8

The time gap between any two meetings did not exceed one hundred and twenty days in compliance with the requirements under the Act.

In compliance with the applicable provisions of the Act and the rules made thereunder, the Company facilitates the participation of Directors in Board / Committee Meetings through video conference. During the year ended March 31, 2022, all the Board meetings were held only through video conference due to continued COVID -19 pandemic in the country and Directors participated in the meeting through Video Conferencing.

C. Attendance of Directors and details of Membership of the Directors on Board and Board Committees were as under:

Name of Directors	Attendance at the meetings during the financial year 2021-2022		Number of Directorships in public companies as on March 31, 2022 [#]		Number of Committee positions held in public companies as on March 31, 2022 [*]	
	Board Meetings	Annual General Meeting	Chairman	Director	Chairman	Member
Mr. Ashok P. Hinduja	6	Yes	6	6	NIL	NIL
Mr. Anil Harish	6	Yes	NIL	5	4	4
Mr. Prashant Asher	8	Yes	NIL	10	1	4
Ms. Bhumika Batra	8	Yes	NIL	10	4	10
Mr. Munesh Khanna (w.e.f May 13, 2021)	8	Yes	NIL	4	0	4
Mr. Sudhanshu Tripathi	7	Yes	NIL	5	1	7
Mr. Vynsley Fernandes	8	Yes	NIL	4	NIL	NIL
Mr. Amar Chintopanth	8	Yes	NIL	4	NIL	3

[#] Excludes directorships in (1) Private Companies (2) Section 8 Companies (3) Companies incorporated outside India and (4) Alternate Directorships.

^{*} Only Audit Committee and Stakeholders Relationship Committee of public companies have been considered for committee position.

D. Names of the other listed entities where the directors hold Directorship:

Sr. no	Name of Directors	Name of other Listed Entities	Category in Listed Entities of Directorship
1.	Mr. Ashok P. Hinduja	-	-
2.	Mr. Anil Harish	Blue Star Limited Hinduja Global Solutions Limited	Independent Director Independent Director
3.	Mr. Prashant Asher	Sharp India Limited Keltech Energies Limited	Independent Director Independent Director
4.	Ms. Bhumika Batra	Repro India Limited Sharp India Limited Jyothy Labs Limited Finolex Industries Limited Hinduja Global Solutions Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
5.	Mr. Munesh Khanna	Gulf Oil Lubricants India Limited JSW Energy Limited	Independent Director Independent Director
6.	Mr. Sudhanshu Tripathi	GOCL Corporation Limited Hinduja Global Solutions Limited	Non-Executive Director Non-Executive Director
7.	Mr. Vynsley Fernandes	-	-
8.	Mr. Amar Chintopanth	-	-

i. None of the Directors on the Board holds directorships in more than ten public companies and seven listed entities. Neither the Whole-Time director nor the Managing Director on the Board serves as an independent director in more than three listed entities. Further, none of them is a member of more than ten committees or Chairman of more than five committees (committees being Audit Committee and Stakeholders Relationship Committee., as per Regulation 26(1) of the SEBI Listing Regulations) across all listed companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other.

- ii. In compliance with Regulation 17A of SEBI Listing Regulations effective from April 01, 2020:
1. None of the Directors on the Board holds directorships in more than seven listed entities.
 2. None of the Directors serves as an Independent Director in more than seven listed entities.
 3. Neither the Whole-Time director nor the Managing Director on the Board serves as an independent director in more than three listed entities.
- The Independent Directors are Non-Executive Directors as defined under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. All Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, they confirmed that they have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.
- iii. No person was appointed or continued appointment as an Alternate director for an Independent Director as required under Regulation 25(1) of SEBI Listing Regulations.
- iv. Independent Directors of the Company are appointed for a period of five (5) years as per the provisions of Section 149 of the Act and Regulation 25(2) of the SEBI Listing Regulations and are not liable to retire by rotation.
 - v. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company.
 - vi. During the year, a separate meeting of Independent Directors was held on March 16, 2022 inter-alia to review the performance of Non-Independent Directors, Chairman and the Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary for Board of Directors to effectively and reasonably perform their duties.
 - vii. During the year 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
 - viii. The Board periodically reviews compliance report of all the laws applicable to the Company as prescribed under Regulation 17(3) of SEBI Listing Regulations.
 - ix. No Director is related to each other except Ms. Bhumika Batra and Mr. Prashant Asher both are partners of Crawford Bayley & Co.
 - x. In compliance of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance (D & O) for its Directors and Officers.

E. Details of Equity Share held by Directors of the Company:

The numbers of shares held by the Directors in the Company as on March 31, 2022 were as under:

Sr. No.	Name of Directors	Executive/Non-Executive Director	No. of Shares [#]
1	Mr. Ashok P. Hinduja	Non-Executive Director	9,42,335
2	Mr. Prashant Asher	Non-Executive Director	125

[#] Shares held singly or as a first Member are only considered.

The Company has not issued any convertible instruments.

F. Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business as mentioned below:

S. No.	Name of the Directors	Expertise in Media & Entertainment Sector	Strategic Financial acumen	Strategic Risk Management	Corporate Governance	Providing guidance to the management	Performance assessment and evaluation of Senior management personnel	Regulatory Knowledge
1.	Mr. Ashok P. Hinduja	✓	✓	✓	✓	✓	✓	✓
2.	Mr. Anil Harish		✓	✓	✓	✓	✓	✓
3.	Mr. Prashant Asher	✓	✓	✓	✓	✓	✓	✓
4.	Ms. Bhumika Batra		✓	✓	✓	✓	✓	✓
5.	Mr. Munesh Khanna*	✓	✓	✓	✓	✓	✓	✓
6.	Mr. Sudhanshu Tripathi	✓	✓	✓	✓	✓	✓	✓
7.	Mr. Vynsley Fernandes	✓	✓	✓	✓	✓	✓	✓
8.	Mr. Amar Chintopanth	✓	✓	✓	✓		✓	✓

* With effect from May 13, 2021.

3. AUDIT COMMITTEE

The Committee's composition and terms of reference are in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

A. Terms of Reference:

The terms of reference of the Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Auditors for any other services rendered by the Auditors of the Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons thereto;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing the utilization of loans and / or advances from/investment by the holding company in the subsidiary exceeding ₹100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
8. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
9. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- d) Significant adjustments made in the financial statements arising out of audit findings;
- e) Compliance with listing and other legal requirements relating to financial statements;
- f) Disclosure of any related party transactions; and
- g) Qualifications in the draft audit report.

10. Approval or any subsequent modification of transactions of the Company with related parties; Explanation: The term “related party transactions” shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and / or the Accounting Standards.
 11. Scrutiny of inter-corporate loans and investments;
 12. Valuation of undertakings or assets of the Company, wherever it is necessary;
 13. Evaluation of internal financial controls and risk management systems;
 14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 16. Discussion with internal auditors of any significant findings and follow up there on;
 17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 20. To review the functioning of the whistle blower mechanism;
 21. Approval of the appointment of the CFO of the Company (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 22. Review the compliance with the provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 and verify that the systems for internal control are adequate and are operating effectively at least once in a financial year; and
 23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 24. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The Audit Committee is required to mandatorily review the following information:
- 1) Management discussion and analysis of financial condition and results of operations;
 - 2) Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
 - 3) Internal audit reports relating to internal control weaknesses;
 - 4) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - 5) Statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-regulation (1) of Regulation 32 of the SEBI Listing Regulations; and
 - b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of sub-Regulation (7) of Regulation 32 of the SEBI Listing Regulations.
- B. Composition:**
- The composition of the Audit Committee is as follows:
- Chairman:** Mr. Anil Harish, Independent Director
- Members:** Ms. Bhumika Batra, Independent Director
Mr. Munesh Khanna, Independent Director, Member w.e.f. August 13, 2021
Mr. Sudhanshu Tripathi, Non-Executive Director
- All the members have accounting or related financial management expertise and have the ability to understand and analyze the financial statements.

The Company Secretary acts as Secretary to the Committee. The invitees to Audit Committee meetings include representatives of the Statutory Auditors, Internal Auditor, Managing Director, Chief Financial Officer and such other executives as deemed necessary.

C. Meetings and Attendance:

The details of meetings held during the year under review and the attendance thereat are as follows:

Number of Meetings: Eleven (11)

Dates of Meetings: May 12, 2021; June 30, 2021; August 12, 2021; August 27, 2021; October 20, 2021; November 11, 2021; January 14, 2022; February 12, 2022; February 17, 2022; March 15, 2022; March 16, 2022.

The time gap between any two meetings did not exceed one hundred and twenty days.

During the year ended March 31, 2022, all the Audit Committee meetings were held only through video conference due to continued COVID -19 pandemic in the country.

Attendance:

Name of Members	Number of meetings attended during the financial year 2021-22
Mr. Anil Harish	9
Ms. Bhumika Batra	11
Mr. Munesh Khanna (w.e.f. August 13, 2021)	8
Mr. Sudhanshu Tripathi	11

Mr. Anil Harish, the Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on September 28, 2021.

4. NOMINATION AND REMUNERATION COMMITTEE

The Committee’s composition and terms of reference are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

A. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are as under:

1. The Committee shall be constituted as a Board Committee and be formally empowered to;

- a. identify persons who are qualified to become Directors and who may be appointed in the Senior Management as per criteria laid down by the Company and recommend to the Board their appointment or removal;
- b. provide the terms of engagement for independent directors, non-executive directors, Chief Executive Officer, Whole Time Directors and Senior Management.

The expression “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Chief Executive Officer / Managing Director/Whole Time Director / Manager (including Chief Executive Officer / Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

- c. Determine criteria for evaluation of Board, Committee and individual director’s effectiveness, initiate effective evaluation process.

Role of the Committee shall *inter- alia* include the following:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

- b. Formulation of criteria for evaluation of Independent Directors and the Board;
 - c. Devising a policy on Board diversity and succession planning for Board/Senior Management;
 - d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment, remuneration and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
 - e. Whether to extend/ continue the term of appointment of Independent Directors, on the basis of report of performance evaluation of Independent Directors.
 - f. Recommend to the Board, all remuneration in whatever form, payable to senior management.
2. While formulating the policy on the basis of criteria enumerated above, the Committee shall ensure that;
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
 - d. Further, the policy formulated taking into consideration the above, shall be disclosed in the Board's Report.
 3. The Committee shall (subject to compliance of the Companies Act and other applicable regulations):
 - a. Establish the Key Result Areas (KRAs) and clear metrics of performance for Chief Executive Officer and Whole-Time Directors against which their performance shall be appraised at the end of the year.
 - b. Review and approve KRAs and performance metrics for senior management proposed by the Chief Executive Officer.
 - c. Document the expectations and the actual achievements for a full Board review as may be taken as an audit.
 - d. Have the responsibility for a) setting the remuneration for the Chief Executive Officer and Whole-Time Directors and, b) review and approval of Senior Management (one level below MD) remuneration proposed by Chief Executive Officer. Remuneration in this context will include salary; performance based variable component and any compensation payments, such as retiral benefits or stock options.
 - e. Make available its terms of reference, its role, the authority delegated to it by the Board and what it has done for the year under review to the shareholders in a separate section of the chapter on corporate governance in the Annual Report.
4. The Committee shall be able to appoint external consultants for assistance on policy and compensation inputs whenever required.
 5. The Nomination and Remuneration Committee shall comprise of 3 members, including its Chairman who shall be an independent director.
 6. The Chairperson of the Committee or, in his absence, any other member of the Committee authorized by him in this behalf shall attend the general meetings of the Company.
- B. Composition:**
- The Composition of Nomination and Remuneration Committee (NRC) is as follows:
- Chairman:** Mr. Anil Harish, Independent Director
- Members:** Mr. Prashant Asher, Independent Director
Mr. Sudhanshu Tripathi, Non-Executive Director
- C. Meeting and Attendance:**
- The details of meetings held during the year under review and the attendance thereat are as follows:
- Number of Meetings:** Two (2)
- Dates of Meetings:** May 12, 2021; August 13, 2021.
- During the year ended March 31, 2022, all the NRC meetings were held only through video conference due to continued COVID -19 pandemic in the country.

Attendance:

Name of Members	Number of meetings attended during the financial year 2021-22
Mr. Anil Harish	1
Mr. Prashant Asher	2
Mr. Sudhanshu Tripathi	2

Mr. Anil Harish, the Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting of the Company held on September 28, 2021.

D. Performance Evaluation:

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of all directors of the Company as under:

Factor	Attributes
Role & Accountability	➤ Understanding of nature and role of Independent Directors' position
	➤ Understanding of risks associated with the business
	➤ Application of knowledge for rendering advice to Management for resolution of business issues
	➤ Offer constructive challenge to Management strategies and proposals
Objectivity	➤ Active engagement with the Management and attentiveness to progress of decisions taken
	➤ Non-partisan appraisal of issues
Leadership & Initiative	➤ Own recommendations given professionally without tending to majority or popular views
	➤ Heading Board Sub Committees
Personal attributes	➤ Driving any function or identified initiative based on domain knowledge and experience
	➤ Commitment to role & fiduciary responsibilities as a board member

Factor	Attributes
	➤ Attendance and active participation and not done perfunctorily
	➤ Proactive, strategic and lateral thinking

Pursuant to provisions of the Act and SEBI Listing Regulations, during the year under review, the Board has carried out an annual evaluation of its own performance, and that of its committees, Chairperson and Directors facilitated by an Independent external agency M/s. Deloitte Haskins & Sell LLP to ensure objectivity and equality based on above criteria. The process involved evaluation of the effectiveness of Board, Committees and Individual Directors and Independent feedback from all Board Members. The Independent Directors also evaluated the performance of Non-Independent Directors, Chairman and the Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary for Board of Directors to effectively and reasonably perform their duties.

The overall performance evaluation exercise was completed to the satisfaction of Board. The Board of Directors deliberated on the outcome of independent external agency review and feedback from Directors.

E. Remuneration Policy:

The Company has adopted a Remuneration Policy for Directors, KMPs and Senior Executives which is annexed as “Annexure -1” to this report. The objective of the remuneration policy of the Company is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company’s stakeholders.

F. Details of Remuneration to all Directors:

No remuneration was paid to any Director except the Managing Director and the Whole-Time Director.

No sitting fees was paid either to the Managing Director or the Whole-Time Director for the financial year 2021-22.

G. Remuneration paid to the Managing Director and the Whole-Time Director during the financial year 2021-22:

(Amount in ₹)

Name of Director	Salary (Gross)	Perquisites & allowances	Commission	Bonus	Performance Linked Incentive	Severance Fee	Stock options granted	Total
Mr. Vynsley Fernandes	3,92,76,327	7,29,600	NIL	NIL	NIL	NIL	NIL	4,00,05,927
Mr. Amar Chintopanth	1,97,60,935	NIL	NIL	NIL	NIL	NIL	NIL	1,97,60,935

(*) Perquisites are valued as per Income Tax Act, 1961.

H. Criteria for Payment to Non- Executive Director:

Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and Committee thereof. Non-Executive Directors are also reimbursed travelling and actual out of pocket expenses incurred for attending the meetings. There were no material pecuniary relationships or transactions with Non-Executive Directors.

I. Sitting fees paid to Non-Executive Directors during the financial year 2021-22:

(Amount in ₹)

Name of Directors	Total Sitting Fees
Mr. Ashok P. Hinduja	6,00,000
Mr. Anil Harish	17,50,000
Mr. Prashant Asher	9,50,000
Ms. Bhumika Batra	33,00,000
Mr. Munesh Khanna	26,50,000
Mr. Sudhanshu Tripathi	31,00,000
Total	1,23,50,000

J. Details of Fees for professional services rendered by firms of Solicitors / Advocates in which certain Independent Directors are partners are as under:

Name of Firm	Amount paid / payable during the year under review (Amount in ₹)	Name of Director who is partner
M/s. D. M. Harish & Co.	Nil	Mr. Anil Harish
M/s. Crawford Bayley & Co.	27,00,000	Ms. Bhumika Batra Mr. Prashant Asher

5. STAKEHOLDERS RELATIONSHIP & SHARE TRANSFER COMMITTEE

The committee's composition and terms of reference are in compliance with the provisions of Section 178 (5) of the Act and Regulation 20 of the SEBI Listing Regulations.

A. Terms of Reference:

The terms of reference of Stakeholder Relationship Committee ("SRC") are as under:

- 1) Considering and resolving grievances of shareholders', debenture holders and other security holders;
- 2) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Shares or debentures, transfer of Shares, non-receipt of declared dividends, non-receipt of balance sheets of the Company, non-receipt of annual reports of the Company, general meetings etc. and assisting with quarterly reporting of such complaints;
- 3) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities and review cases for refusal of transfer / transmission of shares and debentures;
- 4) Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc. and redress complaints relating to non-receipt of share certificates;
- 5) Overseeing the performance of the registrars and transfer agents of the Company and to recommend measures for overall improvement in the quality of investor service;
- 6) Review the system of dealing with and responding to correspondence from all categories of investors. The details of complaint letters, if any, received from Stock Exchanges / SEBI and responses thereto are reviewed by the Committee. The Committee also reviews / approves initiatives for further improvements in servicing investors;
- 7) Review of measures taken for effective exercise of voting rights by shareholders;
- 8) Review of the various measures and initiatives taken by the listed entity for

reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports/ statutory notices by the shareholders of the Company; and

- 9) Carrying out any other function contained in the SEBI Listing Regulations as amended from time to time, and the equity listing agreement executed with the stock exchanges.

B. Composition:

The Composition of SRC is as follows:

Chairperson: Ms. Bhumika Batra, Independent Director

Members: Mr. Sudhanshu Tripathi, Non-Executive Director
Mr. Amar Chintopanth, Whole-Time Director & CFO

Mr. Ashish Pandey, Company Secretary acts as the Compliance Officer of the Company for complying with requirements of Securities Laws and SEBI Listing Regulations with Stock Exchanges.

C. Meetings and Attendance:

The details of meetings held during the year under review and the attendance thereat is as follows:

Number of Meetings: Four (4)

Date of Meetings: May 06, 2021; August 06, 2021; November 03, 2021 and January 27, 2022.

During the year ended March 31, 2022, all the SRC meetings were held only through video conference due to continued COVID -19 pandemic in the country.

Attendance:

Name of Members	Number of meetings attended during the financial year 2021-22
Ms. Bhumika Batra	4
Mr. Sudhanshu Tripathi	4
Mr. Amar Chintopanth	4

Ms. Bhumika Batra, the Chairperson of the SRC attended the last Annual General Meeting of the Company held on September 28, 2021.

D. Investor Grievance Redressal:

The Status of Investors' queries and complaints as on March 31, 2022 and reported under Regulation 13(3) of the SEBI Listing Regulations, is as under:

Sr. No	Particulars	No. of Complaints
1	Investor Complaints pending at the beginning of the year	NIL
2	Investor Complaints received during the year	07
3	Investor Complaints disposed off during the year	07
4	Investor Complainants remaining unresolved at the end of the year	NIL

All queries and complaints have been redressed to the satisfaction of the members and none of them were pending as on March 31, 2022.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee's composition and terms of reference are in compliance with the provisions of Section 135 of the Act and the Rules framed thereunder.

A. Terms of Reference:

The terms of reference of Corporate Social Responsibility ("CSR") Committee are as under:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- 2) To recommend the amount of expenditure to be incurred on the activities referred to in clause (1); and
- 3) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

B. Composition:

The Composition of CSR Committee is as follows:

Chairman: Mr. Prashant Asher, Independent Director

Members: Mr. Sudhanshu Tripathi, Non-Executive Director
Mr. Amar Chintopanth, Whole-Time Director

C. Meeting and Attendance:

The details of meeting held during the year under review and the attendance thereat are as follows:

Number of Meeting: One (1)

Date of Meeting: January 27, 2022

During the year ended March 31, 2022, the CSR Committee meeting was held only through video conference due to continued COVID -19 pandemic in the country.

Attendance:

Name of Members	Number of meeting attended during the financial year 2021-22
Mr. Prashant Asher	1
Mr. Sudhanshu Tripathi	1
Mr. Amar Chintopanth	1

7. RISK MANAGEMENT COMMITTEE

As per SEBI Circular dated May 05, 2021 read with Regulation 21 of SEBI Listing Regulations as amended, a Risk Management Committee is to be mandatorily formed by the top 1000 listed companies, determined on the basis of market capitalization, as at the end of the immediate previous financial year. As on March 31, 2022, the Company is amongst top 1000 listed companies.

However, as a good corporate governance practice, the Company had constituted a Risk Management Committee at the Board Meeting held on October 09, 2020.

The Committee's composition and terms of reference are in compliance with the provisions of Regulation 21 of the SEBI Listing Regulations.

A. #Terms of Reference:

The terms of reference of Risk Management Committee are as under:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (i.e. Environment, Social & Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 - (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 - (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 - (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 - (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
 - (7) such other powers / actions as may be entrusted by the Board.

In addition to the above, the Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

#The terms of Reference of Risk Management Committee were approved at the Board meeting held on August 13, 2021 and thereafter revised at the Board Meeting held on November 11, 2021.

B. Composition:

The Composition of Risk Management Committee is as follows:

Chairperson: Ms. Bhumika Batra, Independent Director

Members: Mr. Anil Harish, Independent Director

Mr. Vynsley Fernandes, Managing Director & CEO

Mr. Amar Chintopanth, Whole-Time Director & CFO

C. Meeting and Attendance:

The details of meeting held during the year under review and the attendance thereat are as follows:

Number of Meeting: Three (3)

Date of Meetings: September 22, 2021; January 07, 2022 and March 23, 2022.

During the year ended March 31, 2022, all the Risk Management Committee meetings were held only through video conference due to

continued COVID -19 pandemic in the country.

Attendance:

Name of Members	Number of meeting attended during the financial year 2021-22
Ms. Bhumika Batra	3
Mr. Anil Harish	3
Mr. Vynsley Fernandes	3
Mr. Amar Chintopanth	3

8. GENERAL BODY MEETINGS / POSTAL BALLOTS

A. Details of location, date and time of holding the last three Annual General Meetings and special resolution passed thereat:

Financial Year	Date and Time	Venue	Special Resolution passed
2018-2019	September 18, 2019 at 11:00 a.m.	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Anil Harish as an Independent Director 2. Re-appointment of Mr. Prashant Asher as an Independent Director 3. Ratification of payment of excess remuneration and remuneration for remaining term to Mr. Ashok Mansukhani as Managing Director and Key Managerial Personnel of the Company.
2019-2020	September 30, 2020 at 3.00 p.m	Virtual Annual General Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on account of outbreak of COVID-19 (Coronavirus) Pandemic.	<ol style="list-style-type: none"> 1. Re-appointment of Ms. Bhumika Batra as an Independent Director. 2. Extension of terms of Appointment of Mr. Ashok Mansukhani (DIN :00143001) - Managing Director and Key Managerial Personnel of the Company. 3. Appointment of Mr. Amar Chintopanth as Whole Time Director. 4. Appointment of Mr. Vynsley Fernandes as Manager.
			<ol style="list-style-type: none"> 5. Modification in Borrowing Limits. 6. Increase in the limit on Sale, Mortgage or Creation of Charge on the assets of the Company. 7. Raising of funds.

Financial Year	Date and Time	Venue	Special Resolution passed
2020-2021	September 28, 2021 at 3.30 p.m.	Virtual Annual General Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on account of outbreak of COVID-19 (Coronavirus) Pandemic.	Appointment of and payment of remuneration to Mr. Vynsley Fernandes (DIN: 02987818) as a Managing Director and Chief Executive Officer of the Company.

B. No Extra Ordinary General Meeting of the Members of the Company was held during the financial year 2021-22.

C. No special resolution was passed through Postal Ballot during the financial year 2021-22.

D. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of a special resolution through Postal Ballot.

9. DISCLOSURES

i. Suitable disclosures pertaining to related party transaction(s) as required under IND AS-24 have been made in note no. 39 of the Notes to the Standalone Financial Statements.

The Policy on dealing with Related Party Transactions and on materiality of Related Party Transactions is available on the Company's website at the weblink: https://nxtdigital.co.in/contents/static/uploads/inv/corporate_policies/Revised_NXT_RPT_policy_16.03.2022.pdf

There were no materially significant transactions with related parties which could lead to a potential conflict with the interest between the Company and listed entities at large.

ii. The Company has adopted a Policy on archival and preservation of documents pursuant to Regulation 9 of SEBI Listing Regulations.

iii. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor had any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to capital markets, during the last three years.

iv. A Certificate from the Managing Director and Chief Financial Officer in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations

was placed before the Board to approve Financial Statements for the financial year ended March 31, 2022.

v. Your Company has complied with all the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations. The Company has also complied with the requirements of the Corporate Governance Report provided in sub-regulation (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations.

vi. Your Company has put in place a Whistle Blower Policy and Vigil Mechanism for Directors and Employees *inter alia* to report unethical conduct and mismanagement, if any. No person has been denied access to the Chairman of the Audit Committee for reporting issues concerning the interests of employees and the Company. During the year under review, no complaints were received. The policy on Whistle Blower Policy and Vigil Mechanism as per SEBI Listing Regulations is available on your Company's website at the weblink https://nxtdigital.co.in/contents/static/uploads/inv/corporate_policies/Revised_WhistleBlower_Policy.pdf

vii. Your Company has complied with the following non-mandatory requirements as prescribed under Regulation 27 of the SEBI Listing Regulations.

a. During the year under review, there were no audit qualifications, reservations or adverse remarks in your Company's auditor's report on statutory financial statements. Your Company continues to adopt best practices to ensure a regime of unqualified financial statement.

b. The Internal Auditor reports directly to the Audit Committee.

viii. There have been no instances of non-compliance by the Company of any requirement of Corporate Governance as required under SEBI Listing Regulations.

- ix. There were no instances where the Board had not accepted any recommendations of any committee during the financial year.
- x. Total fees for financial year 2021-22, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part have been made in note no. 36 of the Notes to the Consolidated Financial Statements.
- xi. During the financial year under review, no complaints were received regarding sexual harassment at the workplace in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. SUBSIDIARY COMPANIES

The Audit Committee reviews the financial statements including investments made by its unlisted subsidiary companies. The Minutes of the Board Meetings along with a report on significant transactions of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The policy for determining material subsidiaries has been uploaded on the website of the Company at the weblink: https://nxtdigital.co.in/contents/static/uploads/inv/corporate_policies/Revised_Material_Subsiary_Policy.pdf

11. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors were familiarized *inter alia*, with the Company, their duties, roles and responsibilities, the nature of the industry and operations of the Company. The Directors were also familiarized with the organizational set-up, functioning, internal control processes and relevant information pertaining to the Company. Various interactions were held between the Directors and Senior Management of your Company to understand the Company's business operations.

Apart from the above, periodic presentations were also made at the Board Meetings to familiarize the Directors with the Company's Business Plans, Capital Structure, Business Model, Technology, Strategy, Business Performance, Opportunities, Regulatory updates / framework and other related matters.

Managing Director & Chief Executive Officer of the Company makes a presentation to Board

members every quarter, sharing updates about the Company's business strategy, operations, and the key trends in the industry relevant for the Company. These updates help the board members in keeping abreast of the key changes and their impact on the Company. The details of familiarization programmes can be viewed at the weblink: https://www.nxtdigital.co.in/contents/static/uploads/inv/sebi-clause46/Familiarisation_programme_of_Independent_Directors.pdf

12. MEANS OF COMMUNICATION

- i. **Financial Results:** The quarterly, half yearly and yearly financial results of the Company were published in leading national newspapers Business Standard (in English) and Sakaal (in Marathi). The quarterly, half yearly and yearly financial results were simultaneously displayed on the Company's website www.nxtdigital.co.in. The website is updated regularly with the official news releases and disclosures as required from time to time. The results are also uploaded on the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited on their websites www.bseindia.com and www.nseindia.com respectively.
- ii. **Presentations to institutional investors / analysts:** Several Presentations have been made to institutional investors / analysts during the year.
- iii. **Website:** The Company's website www.nxtdigital.co.in contains a dedicated section "Investor" which displays details / information of interest to various stakeholders. The Company's Annual Report is also available in user friendly and downloadable form.
- iv. **News releases:** Official press releases are sent to Stock Exchanges and the same is hosted on the website of the Company.
- v. **Investor servicing:** A separate e-mail id investorgrievances@nxtdigital.in has been designated for the purpose of registering complaints by members or investors.
- vi. **A greener environment - Now and for future:** The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, your Company requests its Members to register / update the e-mail ids for communication purpose.

13. GENERAL SHAREHOLDER INFORMATION

Sr. No.	Subject	Date
1	Company Registration Details	The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51900MH1985PLC036896.
2	Annual General Meeting (AGM)	
	Date	Tuesday, September 27, 2022
	Time	03.00 P.M. (IST)
	Venue	In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Such meeting shall be deemed to be held at the registered office of the Company at IN CENTRE, 49/50, MIDC, 12th Road, MIDC, Andheri (East), Mumbai - 400 093.
3	Financial Year	From April 1 to March 31
4	Financial Calendar for 2022-23 (Tentative)	
	Unaudited results for the quarter ending June 30, 2022.	2 nd Week of August, 2022
	Unaudited results for the quarter / half year ending September 30, 2022.	2 nd Week of November, 2022
	Unaudited results for the quarter/ nine months ending December 31, 2022.	2 nd Week of February, 2023
	Audited results for the year ending March 31, 2023.	2 nd Week of May, 2023
5	Book Closure Dates	Saturday, September 17, 2022 to Tuesday, September 27, 2022 (both days inclusive)
6	Dividend payment date for the financial year 2021-22	on or before October 26, 2022

Sr. No.	Subject	Date
7	Listing of Equity Shares on Stock Exchanges	<p>a. BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.</p> <p>b. National Stock Exchange of India Limited (NSE). Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051</p>
8	Stock Code	BSE: 500189 NSE: NXTDIGITAL
9	International Securities Identification Number [ISIN]	INE353A01023
10	Listing Fee	Annual Listing Fees for the financial year 2022-23 has been paid to BSE Limited and National Stock Exchange of India Limited.
11	Credit Ratings	Acuite Ratings & Research Limited, a Credit Rating Agency has assigned rating "ACUITE A+/Stable " to NXTDIGITAL LIMITED ("the Company") in respect of its following facilities for ₹ 320 Crores: Buyer's Credit (Long Term) – ₹ 100 Crores Term Loan (Long Term) – ₹ 220 Crores The rating outlook is " Stable "

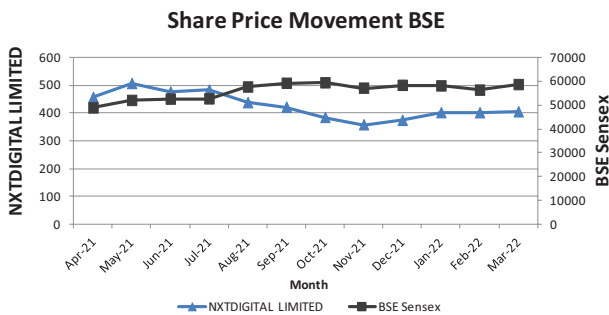
14. STOCK MARKET PRICE DATA

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Month's High	Month's Low	Month's High	Month's Low
	₹	₹	₹	₹
April 2021	544.35	442.00	544.00	451.10
May 2021	620.00	450.30	619.80	450.20
June 2021	516.70	470.00	521.80	470.00
July 2021	520.05	417.00	519.80	475.10
August 2021	490.80	392.00	488.65	390.60
September 2021	456.90	409.95	458.60	408.00
October 2021	588.80	375.20	588.00	373.00
November 2021	424.95	345.00	424.95	333.30
December 2021	510.00	354.45	511.80	353.00
January 2022	483.50	366.90	482.85	368.60
February 2022	479.00	366.55	474.50	357.35
March 2022	486.20	366.00	485.80	376.25

[Source: This information is compiled from the data available from the websites of BSE and NSE]

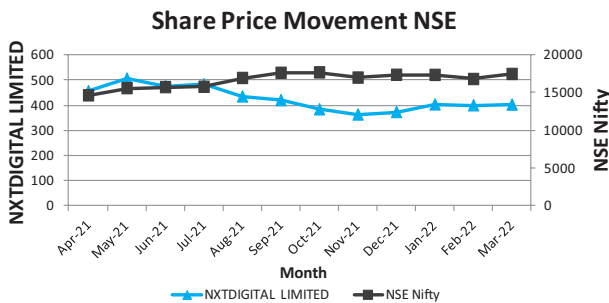
A. SHARE PRICE MOVEMENT (BSE)

Your Company's closing share price performance on the BSE relative to BSE Sensex closing prices from April 2021 to March 2022:



B. SHARE PRICE MOVEMENT (NSE)

Your Company's closing share price performance on the NSE relative to NSE Nifty closing prices from April 2021 to March 2022:



15. UNPAID/UNCLAIMED DIVIDEND

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividends, if not, paid/claimed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of such dividends which have not been paid/claimed for a period of 7 (seven) consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

In the interest of the members, the Company sends periodical reminders to the members to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and members whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website. <https://www.nxtdigital.co.in/investors/unclaimed-dividend/>

In light of the aforesaid provisions, during the year under review, the Company has credited unpaid / unclaimed dividend amounting to ₹ 3,57,240/- (Three Lakhs Fifty-Seven Thousand Two Hundred and Forty Only) to the IEPF for the financial year 2013-14 pursuant to the provisions of Section 124 of the Act and transferred 871 equity shares of 12 members to the demat account of the IEPF Authority as per Section 124 of the Act. Accordingly, the voting rights on the shares lying with IEPF Authority shall remain frozen till the rightful owner of such shares claims the shares.

The members who have a claim on above dividend and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

The unclaimed / unpaid dividend declared for the financial year 2014-15 will be transferred to the IEPF in October, 2022 and details of the same will be uploaded on the website of the Company and will be filed with Ministry of Corporate Affairs. The Company has already sent individual reminders to the concerned members with a request to claim the unpaid / unclaimed dividends and to avoid transfer of unpaid / unclaimed dividend to IEPF.

Likewise, all the shares wherein the dividend for the financial year 2014-15 and onwards has remained unpaid / unclaimed for seven consecutive years will be transferred by the Company to IEPF in October, 2022, if not claimed by the concerned shareholders in time. The Company has given public notice in newspapers Financial Express (in English) and Navshakti (in Marathi) and also sent individual communication to the concerned members requesting them to claim their unclaimed / unpaid dividend amounts for the financial year 2014-15 and onwards on or before, October, 2022 to enable processing of claims before the due date and in order to avoid transfer of equity shares and unpaid/ unclaimed dividend for the year 2014-15 to the IEPF.

Those Members who have so far not encashed their dividend warrants for the financial year 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 are requested to approach the Company's Registrar and Share Transfer Agent [RTA] for claiming the same at the earliest.

16. SHARE TRANSFER SYSTEM

Your Company's equity shares are compulsorily traded in dematerialized form on the BSE and NSE. As on March 31, 2022, about 98.12% of your Company's equity (comprising 3,30,38,287 shares) had been dematerialized.

The power to approve transfer of shares in physical form has been delegated by the Board to Share Transfer Committee consisting Directors of the Company.

Transfer of shares in physical form is normally processed within a stipulated time period of 15 days from the date of the lodgment, subject to documents being valid and complete in all respects.

During the year under review, no request for physical transfer was received by the Company.

The details of physical shares transferred during the immediately three previous years and current year are as under:

Particulars	No of transfer deeds	No of shares transferred
2019-2020	2	300
2020-2021	NIL	NIL
2021-2022	NIL	NIL

SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. Therefore, shareholders holding share in physical form are requested to take necessary action to dematerialize their securities.

SEBI vide its circulars dated November 03, 2021, December 14, 2021 & January 25, 2022, has mandated the Companies to alert all holders of physical securities as follows: -

- w.e.f. 01.01.2022, any service request will be entertained by the RTA only upon registration of PAN, KYC and Nomination details.
- folios in which PAN / KYC/ Nomination details are not available will be frozen by the RTA w.e.f. 01.04.2023.
- that the folios in which PAN is not linked to Aadhaar as on 31.03.2022 or any other date as may be specified by the Central Board of Direct Taxes will also be frozen by

the RTA.

- after December 31, 2025, the frozen folios shall be referred by RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

Shareholders holding shares in physical form are requested to furnish / update their PAN, KYC details and Nomination, if not done earlier, with the Company's RTA by using the relevant forms as mentioned at the company's website <https://www.nxtdigital.co.in/investors/investors-assistance/>.

Demat status as on March 31, 2022:

	Number of Accounts	Number of Shares	Percentage of Shareholding
CDSL	4718	2296993	06.82
NSDL	5467	30741294	91.30
TOTAL	10185	33038287	98.12

Pattern of Shareholding as of March 31, 2022:

Particulars	No. of Shares	% of Shareholding
Promoters and Promoters Group	2,17,75,491	64.67
FII's / Foreign Portfolio Investors	17,93,593	5.33
N.R.I.s / OCBs / Non-Domestic Companies / Foreign National	30,73,096	9.12
Mutual Funds, Banks, Financial Institutions, Insurance Companies, Central Government	4,20,000	1.25
Private Corporate Bodies	12,52,829	3.72
Individuals / Others	53,47,680	15.88
IEPF	8,932	0.03
Total Paid-up Capital	3,36,71,621	100.00

Distribution Schedule as of March 31, 2022:

Distribution	No. of Members		No. of Shareholding	
	No of Members	% of Total Member	No of Shares	% of Shareholding
Up to 5000	9,580	92.74	657,649	1.95
5001-10000	341	3.30	253,807	0.75
10001-20000	154	1.49	227,446	0.68
20001-30000	77	0.74	189,431	0.56
30001-40000	34	0.33	116,724	0.35
40001-50000	30	0.29	137,592	0.41
50001-100000	46	0.45	335,489	1.00
Above 100000	68	0.66	31,753,483	94.30
Total	10,330	100.00	33,671,621	100.00

Reconciliation of Share Capital Audit in accordance with the Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, is carried out by a Qualified Practicing Company Secretary. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. This audit is carried out every quarter and the report thereon are submitted to stock exchanges and is also placed before the Board of Directors.

17. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY SHARE CAPITAL

Your Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2022 there were no outstanding GDRs / ADRs / Warrants or any convertible instruments.

18. CERTIFICATE TOWARDS NON-DISQUALIFICATION OF DIRECTORS

Your Company has received a Certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authorities which has been enclosed as “Annexure 2” to this report.

19. CODE OF CONDUCT

Your Company has adopted separate Code of Conduct for Board of Directors and Senior Management and the same has also been displayed on the Company's website. All Board Members and Senior Management Personnel [as per Regulation 26(3) of the SEBI Listing Regulations] have affirmed compliance with the applicable Code of Conduct applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a certificate by the Managing Director & Chief Executive Officer on the compliance declarations received from Board of Directors and Senior Management which is annexed as “Annexure B” to the Board's Report. The code has been hosted on the Company's website under the weblink <http://nxtdigital.co.in/investors/code-of-conduct/>.

20. REGISTRAR AND SHARE TRANSFER AGENT

The details of the Company's Registrar and Share Transfer Agent are given below.

KFin Technologies Limited (formerly known as KFin Technologies Private Limited)

Selenium Tower B,
Plot 31-32, Gachibowli, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032.
Tel.: 040-67162222,
Fax: 040-23001153
E-mail: einward.ris@kfintech.com

Member's correspondence should be addressed to the Registrar and Share Transfer Agent at the above address, marked to the attention of Mrs. Rajitha Cholleti/Mr. Premkumar Nair.

21. ADDRESS FOR CORRESPONDENCE

Queries relating to operational and financial performance of your Company may be addressed to:

Mr. Amar Chinthopanth, Whole Time Director and CFO

Address:

IN Centre, 49/50, MIDC
12th Road Andheri (East)
Mumbai-400093.
Tel.: (91-22) 2820 8585
E-mail – amar.chintopanth@nxtdigital.in

Members may address queries relating to their shareholdings to:

Mr. Ashish Pandey, Company Secretary and Compliance Officer

Address:

IN Centre, 49/50, MIDC
12th Road, Andheri (East)
Mumbai-400 093.
Tel.: (91 22) 2820 8585
E-mail: investorgrievances@nxtdigital.in

Members are requested to register their e-mail address with the Company's Registrar and Share Transfer Agent (RTA) at einward.ris@kfintech.com to enable the Company to send all notices / documents through e-mail and also intimate about any changes in their e-mail address from time to time to the RTA.

22. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company does not deal in the commodity market nor has any hedging activities.

The Company has in place a Risk Management Policy and a mechanism to assess foreign exchange risk, periodically review it and ensure that necessary steps are taken to mitigate the foreign exchange risk. The details of Foreign Exchange Earnings and Outgo are mentioned in the Board's Report.

23. DETAILS OF PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) OF THE SEBI LISTING REGULATIONS:

The Company has not raised funds through preferential allotment or qualified institutional placement during the year under review.

24. PLANT LOCATIONS:

Not applicable as the Company is not engaged in manufacturing activities.

25. COMPLIANCE OFFICER

Mr. Ashish Pandey, Company Secretary is the Compliance Officer of the Company for complying with requirements of Securities Laws and Listing Regulations with Stock Exchanges.

For and on behalf of the Board of Directors

Ashok P. Hinduja
Chairman

Place: Mumbai

Date: August 27, 2022

Annexure “1” to the Corporate Governance Report

REMUNERATION POLICY

1. Objective

The objective of the remuneration policy of NXTDIGITAL LIMITED (hereinafter referred to as “NXTDIGITAL”) is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of NXTDIGITAL’s stakeholders.

2. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee (“Committee”) is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, KMP and Senior Executives of NXTDIGITAL from time to time.

3. Remuneration for Non-Executive Directors

Non-Executive Directors (“NED”) are remunerated by way of Sitting Fee for each meeting of the Board / Committees of the Board attended by them and an annual commission on the profits of the Company. Commission to respective NED is determined on the basis of objective criteria discussed and agreed upon by the Committee Members unanimously. NED’s are reimbursed any out of pocket expenses incurred by them for the purpose of the Company.

4. Remuneration for Executive Directors, Key Managerial Personnel (KMP) and Senior Executives

The following elements are taken into consideration for determining the Remuneration of Executive Directors, KMP and Senior Executives:

- The remuneration policy reflects a balance between the interests of NXTDIGITAL’s main stakeholders as well as a balance between the Company’s short-term and long-term strategy. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. NXTDIGITAL strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.
- To ensure that highly skilled and qualified KMP / Senior Executives can be attracted and retained, NXTDIGITAL aims for a total remuneration level that is comparable to levels provided by other Companies that are similar to NXTDIGITAL in terms of size and complexity.
- In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the corporate governance regulations, societal and market trends and the interests of stakeholders.
- NXTDIGITAL’s policy is to offer the Directors, KMP and Senior Executives a total compensation comparable to the peer group.

Total Compensation (TC)

The total compensation of the Managing Director and Senior Executives consists of the following components:

1. Base salary
2. Variable income –
 - Annual Performance Pay (APP)
 - Performance-related Long-Term Incentive Plan (LTIP)

Base salary

On joining the Company, the Managing Director, KMP and Senior Executives receive a base salary comparable to the peer group. Every year, base salary levels are reviewed by the Committee.

Variable income

The variable income part of remuneration consists of APP and LTIP. The distribution between APP and LTIP for (on target) performance aims to achieve a proper balance between short-term result and long-term value creation. The parameters relating to the various elements of the variable income part of the remuneration are established and where necessary adjusted by and at the discretion of the Committee, taking into account the general rules and principles of the remuneration policy itself.

The targets are determined each year by the Committee in consultation with the respective Director / KMP / Executive, based on historical performance, the operational and strategic outlook of the Company in the short term and expectations of the Company's management and stakeholders, among other things. The targets contribute to the realization of the objective of long-term value creation.

It is one of the long term objectives to reach the proportion of variable compensation upto 50% of the total compensation.

5. Remuneration for other Employees.

Remuneration of middle and lower level employees of the Company consists entirely of fixed pay which is reviewed on an annual basis. Increase in the remuneration of employees is effected based on an annual review taking into account performance of the employee and the performance of the Company also.

6. Remuneration for Workmen.

Remuneration of workmen employed in the factories of the Company consists of fixed pay and performance incentives, which is negotiated and agreed upon on periodical basis. Increase in the remuneration of workmen is effected based on a review of performance of the Company and increase in the general price levels / cost of living index, etc.

7. Employee Stock Options

It is a long term objective of the Company to introduce employee stock options to inculcate a sense of ownership among the employees of the Company.

8. Alignment of Remunerations

The Committee strives to achieve that the remunerations of the Directors, Senior Executives, Middle and lower level employees of NXTDIGITAL are aligned to each other.

9. Term of Appointment

The term of appointment of the Managing Director and other Executive Directors is generally for a period of 3 years and renewed for similar periods from time to time, whereas the term of the other employees, generally is upto the age of superannuation.

However, the Company may also appoint consultants for shorter periods on need basis.

10. Post Retirement Benefits

All the executive directors and employees are entitled to retirement benefits such as provident fund, superannuation fund and gratuity.

11. Severance Arrangements

Contracts of employment with executive directors and regular employees provide for compensation of upto 3 months pay or advance notice of similar period.

12. Loans

There is no system of granting of loans to Directors, KMP and employees of the Company.

Annexure “2” to the Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

NXTDIGITAL LIMITED

In Centre, 49/50 MIDC 12th Road,

Andheri (E) Mumbai – 400093.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NXTDIGITAL LIMITED** having CIN L51900MH1985PLC036896 and having registered office at IN CENTRE, 49/50 MIDC, 12th Road, Andheri (E) Mumbai – 400093 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Anil Harish	00001685	08/11/1995
2	Mr. Ashok Parmanand Hinduja	00123180	01/10/2010
3	Mr. Prashant Khatau Asher	00274409	23/09/2014
4	Ms. Bhumika Batra	03502004	11/03/2015
5	Mr. Sudhanshu Kumar Tripathi	06431686	04/08/2015
6.	Mr. Amar Chintopanth	00048789	04/09/2020
7.	Mr. Vynsley Fernandes	02987818	26/02/2021
8.	Mr. Munesh Narinder Khanna	00202521	13/05/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: August 22, 2022

Name: **Rupal Dhiren Jhaveri**
Practicing Company Secretary
Membership No.: FCS 5441
Certificate of Practice No.: 4225
UDIN: F005441D000837261

Annexure “D” to the Board’s Report

PRACTICING COMPANY SECRETARY’S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF NXTDIGITAL LIMITED

I have examined the compliance of the conditions of Corporate Governance by **NXTDIGITAL LIMITED** (‘the Company’) for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘SEBI Listing Regulations’).

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai
Date: August 25, 2022

Rupal Dhiren Jhaveri
FCS No: 5441
Certificate of Practice No. 4225
UDIN: F005441D000845621

Annexure “E” to the Board’s Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is one of India’s premier integrated Digital Delivery Platforms Company - delivering services via satellite, digital cable and broadband. With a pan-India reach, your Company delivers television services through a dual delivery platform consisting of digital cable and the country’s only Headend-In-The-Sky (HITS) satellite platform, under the brand names INDigital and NXTDIGITAL respectively. The Company’s Digital Cable television platform delivers 650+ channels across 100+ cities and towns whilst the HITS service is available in more in over 1,500 cities and towns covering more than 4,500 Pin Codes - with a significant presence in the fastest-growing demographics of semi-urban, semi-rural and rural India. Your company is well established nationally through a franchisee base of

nearly 10,000 Last Mile Owners; delivering digital services to millions of customers across the length and breadth of the country.

It’s subsidiary ONEOTT Intertainment Limited is one of India’s top 4 private Internet Service Providers and has a strong presence in Broadband and Internet services in 150+ cities. Its services under the brand “ONE Broadband” provides converged services of Video, Data and Voice to consumers by delivering highspeed internet and services across multiple cities in India. With “ONE Gigafiber”, the broadband Company also provides FTTH (Fibre to the Home) services for consumers - providing speeds up to 1,000 Mbps.

BUSINESS OVERVIEW

Business model

The Company and its subsidiaries are in the business of digitally distributing content through digital cable and via satellite through the Headend-in-the-Sky (HITS) technology and providing broadband services through digital cable.

Video:

The Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenue. According to a FICCI-EY report, the advertising to GDP ratio is expected to reach 0.4% by 2025 from 0.38% in 2019.

As per various reports on the M&E Industry, the Indian media and entertainment industry is expected to grow at a CAGR of 8.8 per cent and reach ₹ 4.30 Lakh Crores by 2026. The growth would be paced by digital media and advertising through deeper penetration of the internet and mobile devices in the domestic market, along with traditional media, which will hold their steady growth. As per these reports, TV advertising is expected to reach over ₹ 43,000 Crores by 2026. It will make India the fifth-largest TV advertising market globally, after the US, Japan, China and the UK.

The Indian media and entertainment industry is expected to be around ₹ 3.14 Crores in 2022, registering an overall growth of 11.4 per cent, as per these studies. India’s OTT Video services are expected to become a ₹ 21,031 Crores industry in the next four years by 2026, in which ₹ 19,973 Crores would come from subscription-based services and

₹ 1,058 Crores from Transactional VOD (video on demand).

By 2025, the number of connected smart televisions are expected to reach ~40-50 million. 30% of the content viewed on these screens will be gaming, social media, short video and content items produced exclusively for this audience by television, print and radio brands. By 2025, ~600-650 million Indians, will consume short-form videos, with active users spending up to 55 to 60 minutes per day.

According to the FICCI-EY media and entertainment industry survey, those who watch online videos through bundled packages (online video services bundled with mobile and broadband connections) will account for half of all online video viewers (399 million) by 2023, up from 284 million in 2020.

As of 2020, India registered ~803 million online video viewers, including streaming services and videos on free platforms such as YouTube.

OTT video services market (video-on-demand and ‘live’) in India is likely to post a CAGR of 29.52% to reach US\$ 5.12 billion by FY26, driven by rapid developments in online platforms and increased demand for quality content among users.

Broadband:

The Internet Service Providers in India are noticing a continual change in the way customers are consuming the internet. There is a rise in the overall data traffic as people are spending more time on data driven video services like Zoom and other teleconferencing solutions for work, study, friends and family meetups, as well as on OTT video platforms.

Since a significant part of the business Internet traffic has shifted from business districts into residential areas with businesses promoting a hybrid work model, some networks like wireless networks face even more challenges. Therefore, the distinction between having a proper wireline Broadband connection and mobile internet is becoming clearer in the minds of consumers now as they opt for a full-fledged broadband service to provide for their increased consumption of Internet services.

India wired broadband market is projected to grow from around \$ 200 million in 2019 to \$ 243 million by 2024. Currently, penetration of wired broadband in the country is very low, which presents an opportunity for the wired broadband companies to expand their presence across the country. According to Telecom Regulatory Authority of India (TRAI), as of March 2021, there were 20.24 million wired broadband subscribers in India compared with around 1,180.96 million wireless broadband subscribers. The India broadband market is anticipated to move towards “bundled” plans offering unlimited calling, cable TV and OTT. Increasing applications of ICT services, low transaction costs and increasing connectivity are further expected to drive the market. Also, the central government has issued Right of Way (RoW) model pertaining to broadband service expansion, which provides a right to the telecom providers to lay down their telecom infrastructure in the country.

The prospect for both the video and broadband offerings though remains bullish as India still remains a largely underpenetrated market for both video and data.

Business outlook:

The future is all about convergence – the device becoming less and less important. Companies which are able to quickly re-position themselves to provide bundled content will be the ones which will survive and grow. Companies which focus on share of wallet, building digital and “phygital” platforms rather than a content focused approach are the ones to win the game in the long run.

In line with the above philosophy your Company has been progressively positioning itself as a digital platform providing a gateway to the consumers to digital content providers. The Company has been taking various steps which include:

- setting up its “owned-and-operated” future-ready digital NXTHUBS across the country which provide a point of presence for all digital offerings;
- further expanding its network of Last Mile Operators to increase its network of connectivity to the consumers to enable it to expand its offering to a larger market;

- providing new video products including hybrid OTT models, edutech, gaming etc;
- continuing to build upon the successful “Strategic Alliance Partner” aggregator model for acquiring broadband customers, leading to growth in subscriber base in a cost effective model;
- leveraging its content and teleshopping businesses and lastly have a focused approach to Enterprise clients.

All these steps being taken will ensure that the Company is able to identify opportunities and exploit the same.

SWOT ANALYSIS

Strengths:

- Only Company providing services both through terrestrial and satellite technology giving a clear edge over conventional operators
- Low customer acquisition cost due to already invested infrastructure in both fibre and satellite
- Prepaid business model even in a B2B2C business model ensures no revenue leakages
- Long standing relationships with LCOs who are a very integral part of the distribution process
- Excellent and long lasting relationships with vendors including broadcasters

Weaknesses:

- Low Internet services penetration in the existing Cable TV subscriber base
- The business is vulnerable to irrational and predatory pricing by competition in some key regions to capture the subscriber base.

Opportunities:

- Leverage existing satellite infrastructure to provide Managed Services to other licensed MSOs.
- Providing customers with bundled or combination packages consisting of video, data, value-added services, and home security, etc.
- The company has the potential to provide niche telecom services in customer homes by taking various license permissions.

Threats:

- Competition offering heavy discounts on packages to undercut the subscriber base.
- Smaller MSOs still not following transparent practices both with respect to content being distributed and pricing of packages

PERFORMANCE REVIEW

Discussion on financial results with respect to Operational Performance:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and as per Indian Accounting Standards (IND AS) for the year ended March 31, 2022. The financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together like items of assets, liabilities, income, expenses, after eliminating intra group transactions and any unrealized gains or losses in accordance with the Indian Accounting Standard - 110 on "Consolidated Financial Statements" (IND AS 110).

The consolidated financial highlights for the financial year 2021-22 are given below.

	(₹ in Crores)	
For the Year	FY 2021-22	FY 2020-21
Total income	1152.18	1008.45
Total expenses	895.96	776.34
Earnings before Interest, Depreciation, and taxes	256.22	232.11
Finance Costs	136.12	142.65
Depreciation and Amortization	223.29	203.98
Profit/(Loss) before exceptional items and tax from continuing operations	(103.19)	(114.55)
Profit/(Loss) before tax from continuing operations	(103.19)	(114.55)
Taxation	(105.16)	(98.19)
Net Profit/(loss) after tax from continuing operations	1.97	(16.36)

Financial Performance

On a consolidated basis, the Company clocked a revenue of ₹1152.18 Crores for the year ended March 31, 2022. Earnings before Interest, Depreciation and Taxes (EBIDTA) at ₹ 256.22 Crores grew at 10.39% over the previous year's EBIDTA of ₹ 232.11 Crores. During the year, the Company's operations in the Media & Communications space has remained stable and profitable; the Company has during the year monetized a part of its real estate assets held as stock in trade in its Real Estate segment. These two factors have contributed towards the growth in EBIDTA.

Balance Sheet Summary:

	(₹ in Crores)	
Particulars	FY 2021-22	FY 2020-21
Liabilities		
Equity & Reserves	348.01	83.70
Borrowings	134.59	236.58
Lease liabilities	209.43	135.11
Other liabilities	1332.41	1422.32
Total	2024.44	1877.71
Assets		
Property, plant & equipment including capital work in progress	475.29	575.89
Right of use Assets	292.23	161.92
Other long-term assets	922.33	755.37
Other assets	334.59	384.53
Total	2024.44	1877.71

Significant Developments

During the year, the Company focussed on improving its Capital structure by increasing the equity and reducing debt thereby significantly improving the debt to equity ratio. In line with this, the Company concluded a Rights Issue of equity shares of ₹ 288.61 Crores of which approximately ₹ 260 Crores was utilized towards reduction of debt. This had the double benefit of increasing equity and reducing debt and improving the debt to equity ratio to a healthy 1:1.5 as compared to close to 1:5 at the end of the previous year.

Some key metrics:

Ratio	FY 2021-22	FY 2020-21
Operating Profit Margin (%)	23.73	22.81
Interest coverage ratio	2.45	1.72
Debtors Turnover	14.40	12.7
Inventory Turnover	23.47	21.08
Current Ratio	0.29	0.30

RISKS, CONCERNS AND MITIGATION PLANS

The Company has put in place a Risk Management Framework which, among other things, covers the following:

- Strategic
- Operations
- Technology
- Manpower
- Compliance
- Legal
- Investment
- Liquidity & currency

- Financial reporting
- Financial controls
- Environmental

As part of the assessment, the risk slate is periodically revisited through a top-down and bottom-up approach where select employees/risk owners identify key probable risks. Based on feedback received, risk prioritization is done, key risks are shortlisted and assigned to the risk owners to help them define mitigation plans, along with key elements for monitoring, including relevant measures and milestones. The identified mitigation plans are monitored at periodic intervals to assess progress and measure if residual risks are within the organization's risk appetite.

COVID-19 Risk

Over the last two years, economies have become more adept at dealing with the pandemic and its fall-out and have put much-needed attention to improving the health infrastructure. The roll-out of vaccination across the length and breadth of India, and reduced hospitalization and fatality, have enabled the administration to focus on the reopening of the economy, creating employment and supporting livelihoods. However, as seen during the resurgence of COVID cases in early 2022, with the emergence of the Omicron variant, risks to the growth momentum remain pronounced. In addition, recent geopolitical events have added further fuel to the already steep inflationary trends. Policymakers in India, as in the rest of the world, will have to do a tough balancing act in trying to manage the downside risks to the economy, which is still recovering, while dealing with the inflationary pressures by moving away from the accommodative monetary stance of the last couple of years. Businesses too will need to play this balancing act, addressing supply chain disruptions and inflationary concerns through innovative approaches and at the same time, entrenching the demand recovery.

Following are some priorities for the Company to ensure business continuity:

- Employee protection – Keep workplace COVID-19 free, working remotely wherever feasible – a “Standard Operating Procedure” put in place for all offices of the Company and its employees;
- Uninterrupted Operations: Keep operations going without disturbance in order to ensure timely and quality service;
- Encourage the consumers and the LCOs to adapt to contactless payment modes by actively promoting digital payment methods;
- Ensuring that the entire distribution chain consisting of LCOs is constantly educated on

the “Do's and Don't's” during this period;

- Doctor and patient engagement – Focus on engagement with doctors, patients, healthcare providers through our Group's Hospital.
- Support mechanisms and infrastructure – Enable work-from-home and collaboration tools, strengthen security related controls and enable access for remotely operating vendors.
- Financial health – Focus on collections and effective debtor management to maintain adequate liquidity, while simultaneously continuing to focus on cost optimization.

While the impact of the COVID-19 pandemic is difficult to quantify as of now, the Company has been taking all steps to ensure that it emerges stronger across its various businesses.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Financial Controls ('IFC') framework, commensurate with the size, scale, and complexity of the Company's operations. The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls (IFC) have been laid down by the Company and that such controls are adequate and operating effectively. The

internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the Companies Act, 2013. The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. Business heads are responsible to ensure compliance with these policies and procedures. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues.

The management, statutory auditors and internal auditors have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. Your Company believes that internal control is a prerequisite of governance and that action emanating out of agreed business plans should be exercised within a framework of checks and balances. The management is committed to ensuring an effective

internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. The Company uses enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. Entity Level Control framework document has been documented.

The Internal Control System of your Company is tested on a yearly basis by a specialized external audit firm.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE MANAGEMENT/INDUSTRIAL RELATIONS

The Company has established a robust Human Resources ('HR') system that nurtures a high performing, conducive and inclusive work culture. It emphasises on the freedom to express views, competitive pay structure, performance-based reward system and growth opportunities and internal job opportunities, critical assignments within the organisation for career options for the employees. It has well-documented and disseminated employee-friendly policies to enhance transparency, create a sense of teamwork and trust among employees and align employee interests with organisational

strategic goals. The policy assists in a holistic workplace environment and play a key role in right talent on-boarding, talent retention and leadership development. The Company has developed well-designed and documented policies such as Whistleblower policy and Prevention of Sexual Harassment policy in order to prevent discrimination and harassment and discourage any wrong practices. The Company ensures equal access to opportunities in the areas of recruitment, learning & development, career progression and advancement, regardless of gender, age, racial/ethnic background, religion or social status. There were 837 permanent employees on the rolls of the Company as on March 31, 2022.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations over which the Company does not have any direct control include among others, climatic conditions, economic conditions affecting demand-supply and price conditions in the domestic market in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

August 27, 2022

Annexure “F” to the Board’s Report

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: General information about the Company

- | | |
|--|---|
| 1. Corporate Identity Number (C.I.N.) | L51900MH1985PLC036896 |
| 2. Name of the Company | NXTDIGITAL LIMITED |
| 3. Registered Address | 49/50, In Centre, MIDC, 12 th Road, Andheri (East),
Mumbai – 400 093, INDIA |
| 4. Website | www.nxtdigital.co.in |
| 5. Email -Id | investorgrievances@nxtdigital.in |
| 6. Financial Year reported | April 1, 2021 - March 31, 2022 |
| 7. Sector(s) that the Company is engaged in (Industrial activity code-wise): | |

The Company is mainly engaged in the following business activity:
Telecommunication - N.I.C. Code No. 6110.

(Source: As per National Industrial Classification, 2008 issued by Central Statistical Organisation, Ministry of Statistics and Programme Implementation.)

8. List three key products / services that the Company manufactures / provides (as in balance sheet):
- Digital cable through fibre and Headend in the Sky (HITS) through satellite
 - Leasing of optic fibre cable infrastructure
9. Total number of locations where business activity is undertaken by the Company:
- Number of International locations: Nil
 - Number of National locations:

The Company operates in all the states and union territories of the country. The Company has 1,500+ points-of-presence in India covering 4,500+ pin codes in the country

10. Markets served by the Company:

Company has more than 5 million subscribers spread across all the states and union territories of the country.

SECTION B: Financial details of the Company (standalone operations)

- | | |
|--|-------------------|
| 1. Paid-up capital | ₹ 3367.16 Lakhs |
| 2. Total Revenue | ₹ 70171.54 Lakhs |
| 3. Profit / (Loss) after taxes (Continuing Operation) | ₹ (4139.04) Lakhs |
| 4. Profit / (Loss) after taxes (Discontinuing Operation) | ₹ (6.72) Lakhs |
| 5. Total Profit/(Loss) after taxes for the year | ₹ (4145.76) Lakhs |
6. Total spending on Corporate Social Responsibility (C.S.R.) as percentage of profit after tax (%):
- As per computation pursuant to provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”) for the Financial Year 2021-2022, there is no statutory requirement
- of any contribution towards CSR in view of average net loss of preceding three years.
- For the Financial Year 2019-2020, the Company, contributed ₹116.39 Lakhs towards the C.S.R. Activities, which constitutes approximately 2% of the Company’s average net profit after tax for the Financial Year ended March 2018, March 2019, and March 2020.

7. List of activities in which expenditure in 6 above has been incurred:

The C.S.R. spends of earlier years is mainly towards Hinduja Foundation’s Rural Development Programme and Saksham- A Rural Educational Programme in the Jawhar Taluka, District Palghar.

These contributions aim to promote:

1. Improved Agriculture Practices
2. Tree-based farming (Wadi)
3. Water Resource Management
4. Women Empowerment
5. Support to Landless Families
6. Strengthening P.O.
7. Training (Agriculture)

SECTION C: Other details

1. Does the Company have any subsidiary company/companies?

Yes, as on March 31, 2022, the Company has 18 subsidiaries.

2. DO THE SUBSIDIARY COMPANY/ COMPANIES PARTICIPATE IN THE BR INITIATIVES OF THE PARENT COMPANY? IF YES, THEN INDICATE THE NUMBER OF SUCH SUBSIDIARY COMPANY(S).

Yes, the subsidiaries of the Company namely IndusInd Media & Communications Limited and ONEOTT Intertainment Limited participate in the BR initiatives of the Parent Company.

3. DO ANY OTHER ENTITY/ENTITIES (E.G., SUPPLIERS, DISTRIBUTORS, ETC.)? THAT THE COMPANY DOES BUSINESS WITH PARTICIPATE IN THE BR INITIATIVES OF THE COMPANY? IF YES, THEN INDICATE THE PERCENTAGE OF SUCH ENTITY / ENTITIES (LESS THAN 30%, 30-60%, MORE THAN 60%)

Though the Company’s BR policies / Initiatives do not apply to vendors / suppliers, the Company follows zero tolerance on any unethical practices by such agencies in their dealings.

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR / DIRECTORS RESPONSIBLE FOR BR:

a) Details of the Director / Directors responsible for the implementation of the B.R. policy/policies:

All Corporate Policies, including the Business Responsibility Policies of the Company, are ingrained in day-to-day business operations of the Company, and are implemented by Management at all levels.

The responsibility for implementation of B.R. Policies of the Company is ultimately shouldered by Mr. Amar Chintopanth (DIN - 00048789) Whole Time Director & CFO of the Company.

b) Details of the BR Head:

Particulars	Details
1. DIN Number	00048789
2. Name	Mr. Amar Chintopanth
3. Designation	Whole Time Director & CFO
4. Telephone Number	022 28208585
5. Email Id	amar.chintopanth@nxtdigital.in

2. Principle-wise (as per NVGS) BR policy/ policies

Principle	Nature of Policy
P1	Business Ethics, Transparency and Accountability
P2	Product Life Cycle Sustainability
P3	Employee Well-being
P4	Stakeholder Engagement
P5	Human Rights
P6	Environmental Protection
P7	Policy Advocacy
P8	Inclusive Growth and Equitable Development
P9	Customer Value

a) Details of Compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy / Policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does policy conform to any national/ international standards. If Yes, specify?	Policies are prepared to ensure adherence to applicable regulatory requirements and industry standards								
4	Has the Board approved the policy? If yes, has it been signed by the MD/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the Company have a specified committee of the Board/Director/ Official to oversee implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online	Policies are uploaded on the Company's corporate website http://www.nxtdigital.co.in/investors/corporate-policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the Company have in house structure to implement the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders' grievances related to the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out an independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated regularly by the Business Responsibility Reporting Committee.								

b) If the answer to the question at Sr No 1 against any principle is "No", please explain why:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within the next six months									
5	It is planned to be done within next one year									
6	Any other reason (Please specify)									

3. Governance related to BR:

- a) Indicate the frequency with which the Board of Directors, Committee of the Board, or C.E.O. assesses the B.R. performance of the Company.

The Board of Directors annually assess the B.R. performance of the Company.

The Business Responsibility Reporting Committee consists of 1) Managing Director & Chief Executive Officer 2) Whole Time Director & Chief Financial Officer 3) Chief Operating officer 4) Chief Technical Officer 5) General Counsel

- b) Does the Company publish a B.R. or sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company had started publishing BR report from the financial year 2019-20. The BR reports are accessible on the Company's website as part of the Annual Report at www.nxtdigital.co.in

SECTION E: Principle-wise performance

PRINCIPLE 1: Businesses should conduct and govern themselves with ethics, transparency, and accountability

The Company's Code of Conduct and Ethics complies with the legal requirements of applicable laws and regulations, including anti-bribery and anti-corruption policies, ethical handling of conflicts of interest, and fair, accurate, and timely disclosure of reports and documents that are filed with the required regulatory bodies in the regions the Company operates.

- 1. **Does the policy relating to ethics, bribery, and corruption apply only to the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/ Others?**

The Company has well-defined Code of Conduct which provides guidelines on ethics, bribery and corruption. It is binding on all employees, directors and senior management personnel of the Company and its subsidiaries but it does not extend to external stakeholders including suppliers, contractors, etc. However, the Company follows zero tolerance on any acts of bribery, corruption, etc. by such agencies in their dealings.

- 2. **How many stakeholders' complaints have been received in the past financial year and what was the percentage satisfactorily resolved by the Management?**

There were 07 complaints received during the financial year 2021-22. All 07 complaints were redressed, and suitable actions were taken wherever necessary by the respective departments within the Company.

PRINCIPLE 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks, and opportunities.**

The Company's services are provided in compliance with applicable regulations/ advisories, issued by relevant Statutory Authorities including but not limited to 'Ministry of Information & Broadcasting' and 'Telecom Regulatory Authority of India.'

- 2. **For each such product, provide the following details in respect of resource use (energy, water, raw materials, etc.) per unit of product (optional), including a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain and b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company is a service provider and therefore, the operations of the Company entails marginal energy consumption.

However, regular efforts are made to conserve energy. The Company evaluates the possibilities and various alternatives to reduce energy consumption. Further, the use of low energy consuming LED lightings is being encouraged. During the year, due to nationwide lockdown caused by COVID-19 pandemic, the Company had encouraged its employees to work from home, thereby, use of energy was low.

- 3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs were sourced sustainably?**

The Company is increasingly making responsible sourcing an integral part of their procurement process and is integrating social, ethical and environmental performance factors into the process of selecting suppliers and Vendors. Improving performance in environmental, social and ethical issues is becoming a major part of the overall process. The Company is working towards this as an extension of the Company's commitment to corporate responsibility and as such becomes a part of the overall business structure and model.

The aim of the Company is to ensure safe working conditions, prevention of child labour, business ethics, and general housekeeping by the vendor and to build strong, long-term relationships with vendors.

4. Has Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors

The Company is a leading digital content distribution companies delivering digital content via cable as well as through satellite through its Headend In The Sky (HITS) platform.

For achieving this, the Company is getting continuous support and services of the Local Cable Operators across the Country for broadening its reach in the market by distributing their content.

Additionally, other goods and service providers required for the day-to-day operations are sourced from local vendors and small producers, which has contributed to their growth.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof

The Company has always focused on issue of sustainability in their portfolio due to reasons ranging from stakeholder demands to industry competition and profit. In fact, with the issues of climate change and resource depletion now gaining global political and economic significance; not going 'green' is not an option anymore.

Since, our Company is a Telecommunication service provider, waste is limited to the equipment we use for providing cable services e.g. cables, enclosures, set top boxes etc. Continuous efforts are made in this direction to ensure that the optimum utilization of the waste can be done by using mechanism of recycling.

Further, for end-to-end traceability initiatives like "SAVE TO GROW" are taken within the organisation to minimise waste that is generated by its operations both Physical waste and e-waste.

PRINCIPLE 3: Business should promote the well-being of all employees:

1. Please indicate the total number of employees:

As on March 31, 2022, the total number of employees on rolls of Company stands at 837.

2. Please indicate the total number of employees hired on a temporary/ contractual/ casual basis:

As on 31st March 2022, the count is 168.

3. Please indicate the number of permanent women employees:

As on 31st March 2022, the count is 37.

4. Please indicate the number of permanent employees with disabilities:

There are no permanent employees with disabilities as on March 31, 2022

5. Do you have an employee association that is recognized by Management?

There is no employee association in existence.

6. What percentage of your permanent employees are members of this recognized employee association?

Not Applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year, and pending as at the end of the financial year.

There were no complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year.

8. What percentage of your employees mentioned above were given safety and skill up-gradation training in the last year?

The Company had created awareness among employees through various ways online/offline about COVID -19 pandemic and how to keep themselves safe including distribution of masks, sanitizer, vaccination and other essentials. Skill up - gradation training had been given to field employees.

PRINCIPLE 4: Businesses should respect interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

Yes. Stakeholders play a pivotal role in making Company what it is today. The Company has mapped its stakeholders and the main categories of the same are as follows:

(i) Viewers / Subscribers (ii) Investors & Shareholders, (iii) Banks, (iv) Stock Exchanges, (v) Vendors, (vi) Service Providers (vii) The Ministry of Information & Broadcasting, (viii) The Department of Telecommunication, (ix) Telecom Regulatory Authority of India, (x) Ministry of Corporate Affairs, (xi) Reserve Bank of India, (xii) Depositories and (xiii) Employees etc.

However, the process of mapping stakeholders is an ongoing effort of updating on a regular basis.

2. Out of the above, has the Company identified the disadvantaged, vulnerable, and marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof

The Company has at all times extended its support beyond the business activities to the marginalized and vulnerable groups through its various social initiatives, including CSR. The Company had contributed ₹ 116.39 lacs in the year 2019-2020 to Hinduja Foundation, “Sustainable Rural Development Project” a Project of Rural Development and Rural Education Programme in Jawhar Taluka, Palghar District, Maharashtra.

PRINCIPLE 5: Business should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint ventures / suppliers/ contractors / NGOs / Others?

The whole Media group Companies have a group policy on Human rights which extends not only to the Companies under it but also to its employees and other stakeholders. The Company encourages its stakeholders to adopt the principles as laid down in the Human Rights policy.

The Company’s approach to human rights is based upon providing a basis for embedding the responsibility to respect human rights through all business functions and respond to relevant stakeholder expectations.

2. How many stakeholder complaints have been received in the past financial year, and what percent was satisfactorily resolved by the Management?

Our stakeholder engagement processes are robust and have strong listening mechanisms. Additionally, all stakeholders have access to the Whistle-blower Policy.

During the financial year 2021-22, 07 complaints were received from investors, of which all complaints have been resolved.

PRINCIPLE 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/ Joint ventures / suppliers / contractors/ NGOs / Others?

The protection of the environment ranks high among our corporate goals and as a responsible corporate citizen, we believe that our operations should not adversely affect the future of our society, its ecological balance and life support functions.

As a part of “Sustainable Rural Development Project” a Project of Rural Development and Rural Education Programme in Jawhar Taluka, Palghar District, Maharashtra undertaken as a CSR Initiative, the Company has conducted various education programmes to train people in the Water resources Management, Improved agriculture Practices, Tree base farming wadi etc.

The Company also ensures that all the employees of the Company are adhering to the various norms of Environment Act that apply to the Company.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlinks for the webpage, etc.

No, the Company does not have any initiatives aimed to address global environmental issues such as climate change, global warming etc. Since, the Company is a service oriented organisation and its operations does not impact environment in any significant way.

3. Does the Company identify and assess potential environmental risks? Y/N

No, the Company being the Service provider does not involve in any manufacturing activity. Therefore, no harm is caused to the environment.

However, the Company is dedicated to safety and safeguarding the environment in which it operates.

4. Does the Company have any project related to the Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

There is no specific project related to the Clean Development Mechanism. However, the Company makes sure that due importance is given to energy efficiency.

5. Has Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give a hyperlink to a web page, etc.

No.

6. Does the Company generate the Emissions/Waste within permissible limits given by CPCB/SPCB for the financial year being reported?

The same does not apply to the Company as our business activities do not involve the generation of effluents and air emissions.

7. What is the number of show cause/legal notices received from CPCB/SPCB, which are pending (i.e., not resolved to satisfaction) as of the end of the financial year?

No show cause/legal notice has been received from CPCB/SPCB.

PRINCIPLE 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

The Company is an active member of the following associations:

- 1) All India Digital Cable Federation (AIDCF)
- 2) Confederation of Indian Industry (CII)

2. Have you advocated/lobbied through the above associations for advancement or improvement of public good? Yes/No; If yes, specify the broad areas?

The Company has been active in various business associations like FICCI and supports/advocates on multiple issues which affect the industry and consumers.

PRINCIPLE 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

The Company has been undertaking CSR initiatives in the areas of agriculture, tree-based farming, water resource management, women empowerment, support to landless Families, etc., to promote the well-being of the society through Hinduja Foundation's "Sustainable Rural Development Project" - Rural Development and Rural Education Programme in the Jawhar Taluka, District Palghar, Maharashtra State.

The Company is striving towards increasing its presence in remote areas and rural parts of the country through its implementing agency "Hinduja Foundation."

2. Are the programmes/projects undertaken through in-house team/own foundation/external N.G.O./government structures/any other organization?

To facilitate identifying long term CSR projects and monitoring implementation. The Company carries out its CSR activities through its implementing agency "Hinduja Foundation."

3. Have you done any impact assessment of your initiative?

The progress on the Company's CSR initiatives is periodically reviewed by the CSR Committee and the Board of Directors. However, a formal impact assessment is yet to be done.

4. What is the Company's direct contribution to community development projects Amount in ₹ and the details of the projects undertaken?

The Company has spent an amount of ₹ 116.39 Lakh towards CSR for the financial Year 2019-20. Please refer to the details of CSR contributions in the Annual report on CSR forming part of this Annual Report. The Company has, though one of its material subsidiary One OTT Entertainment Limited, contributed ₹ 25 Lakhs towards CSR expenditure in the FY 2021-22.

5. Have you taken steps to ensure that the community successfully adopts this community development initiative?

Yes, a majority of our community development projects are being reviewed by the CSR Committee and Board Members at regular intervals. Community involvement is one of the key elements of CSR implementation programmes.

PRINCIPLE 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/ consumer cases at the end of the financial year?

The Company is engaged in the Digital Cable distribution business and is bound by and fully complies with the quality of service Regulations of TRAI, which *inter alia* provides the manner and time within which a consumer complaint has to be resolved.

As a corporate policy, the Company is fully dedicated to providing the best services to the consumers, including providing resolution to their complaints / queries within the shortest possible time.

No consumer cases / customer complaints are outstanding as at the end of the financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Considering the business activity of the Company, the display of product information on the product label as per local laws is not applicable to the Company.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising, and or anti-competitive behaviour during the last five years and pending as of the end of the financial year?

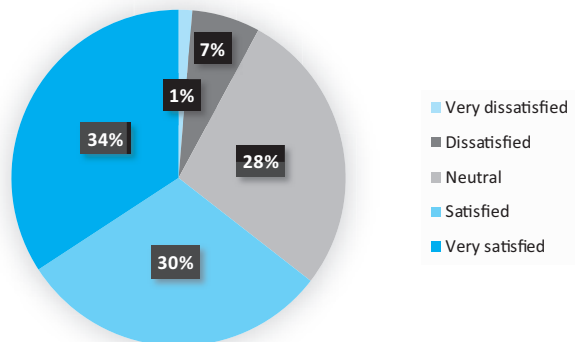
There has been no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising, and anti-competitive behaviour during the last five years.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Yes. Customer oriented surveys are conducted by the Company time to time to measure the success of customer satisfaction. The Customer Satisfaction survey (CSAT) was conducted for Direct Point customers for the year 2021–22.

CSAT Apr-May'21 – Direct Point Customers			
Ratings	Ratings-Meanings	Number of Customers	%
5	Very Satisfied	26	34%
4	Satisfied	23	30%
3	Neutral	21	28%
2	Dissatisfied	5	7%
1	Very dissatisfied	1	1%
Grand Total		76	100%

CSAT ratings %



Annexure “G” to the Board’s Report

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
NXTDIGITAL LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NXTDIGITAL LIMITED** (“the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of **NXTDIGITAL LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **NXTDIGITAL LIMITED** for the financial year ended 31st March, 2022 according to the provisions of:

1. The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
2. Foreign Exchange Management Act, 1999 (‘FEMA’) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;
3. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
4. The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(to the extent applicable)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021; **(Not Applicable)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable)**;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (j) The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019; and
 - (k) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

Annexure “G” to the Board’s Report

6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say :

- (a) Information Technology Act, 2000
- (b) Cable Television Networks (Regulation) Act, 1995
- (c) Cable Television Network (Regulation) Rules, 1994
- (d) Indian Telegraph Act, 1885
- (e) Telecom Regulatory Authority of India Act, 1997 and regulations, guidelines and directions issued by the Telecom Regulatory Authority of India (TRAI)

7. Other laws to the extent applicable to the Company as per the representations made by the Company;

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the above-mentioned Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in certain cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. The Company has allotted 96,20,463 Rights Equity Shares of face value ₹10/- each at the Rights Issue Committee Meeting dated 4th December, 2021 pursuant to section 62(1) (a) and other applicable provisions, if any Companies Act, 2013.
2. The Company has approved Scheme of Arrangement between NXTDIGITAL Limited ('Demerged Company') and Hinduja Global Solutions Limited ('Resulting Company') and their respective shareholders at its Board meetings under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013 dated January 14, 2022 & February 17, 2022. The Company has obtained In Principle approval of BSE and NSE for reorganization of Media and Communication business of NXTDIGITAL Limited with Hinduja Global Solutions Limited.
3. Mr. Vynsley Fernandes was re-appointed as a Director of the Company pursuant to section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 vide Ordinary resolution passed at the Annual General Meeting of the Company held on September 28, 2021.
4. Mr. Vynsley Fernandes was re-appointed as Managing Director and Chief Executive Officer of the Company pursuant to section 2(54), 196, 197, 198, 200 and 203 read with Part II of Schedule V of Companies Act, 2013, and other applicable provisions vide Special resolution passed at the Annual General Meeting of the Company held on September 28, 2021 for a period of 3 years i.e. with effect from February 26, 2021 up to February 25, 2024.
5. Mr. Munesh Narinder Khanna was appointed as an Independent Director of the Company for a period of 5 (five) years effective from May 13, 2021 till May 12, 2026, not liable to retire by rotation, pursuant to section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide Ordinary resolution passed at the Annual General Meeting of the Company held on 28th September, 2021.

Rupal Dhiren Jhaveri

FCS No: 5441

Certificate of Practice No. 4225

UDIN: F005441D000329776

Peer Review No.:

PR1139/2021

Place: Mumbai

Date: May 16, 2022

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*

Annexure “G” to the Board’s Report

To,
The Members
NXTDIGITAL LIMITED

My report of even date is to be read along with this letter.

‘Annexure A’

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: May 16, 2022

Rupal Dhiren Jhaveri
FCS No: 5441
Certificate of Practice No. 4225
UDIN: F005441D000329776
Peer Review No.: PR1139/2021

Annexure “G” to the Board’s Report

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
INDUSIND MEDIA AND COMMUNICATIONS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IndusInd Media And Communications Limited** (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the **IndusInd Media And Communications Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2022 (‘Audit period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **IndusInd Media And Communications Limited** for the financial year ended 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 (‘FEMA’) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
- (v) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company during the Audit Period as the Company is not a listed entity:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
 - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- (viii) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

Annexure “G” to the Board’s Report

- a) The Bombay Municipal Corporation Act, 1988
- b) The Maharashtra Industrial Development Corporation Act, 1961
- (ix) Other laws to the extent applicable to the Company as per the representations made by the Company;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the above-mentioned Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on

agenda were sent at least seven days in advance except in certain cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. An Ordinary Resolution was passed at the Annual General Meeting of the Company held on 27th September, 2021 by the members pursuant to section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 for appointment of Mr. Vynsley Fernandes as Director of the Company.

For RJSY & ASSOCIATES.
Company Secretaries.

Sadhana Yadav
ACS No: 27559

Place: Mumbai
Date: May 9, 2022

Certificate of Practice No.: 16932
ICSI UDIN:A027559D000292835

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report*

Annexure “G” to the Board’s Report

To,

The Members

INDUSIND MEDIA AND COMMUNICATIONS LIMITED

Our report of even date is to be read along with this letter.

‘Annexure A’

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. The audit practices and processes as followed by us were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RJSY & ASSOCIATES.
Company Secretaries.

Sadhana Yadav

ACS No: 27559

Certificate of Practice No.: 16932

ICSI UDIN:A027559D000292835

Place: Mumbai
Date: May 9, 2022

Annexure “G” to the Board’s Report

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022.

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ONEOTT Entertainment Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ONEOTT Entertainment Limited** (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the **ONEOTT Entertainment Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2022 ('Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ONEOTT Entertainment Limited** for the financial year ended 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
- (v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent of compliance applicable under Regulation 24 i.e., Corporate governance requirements with respect to subsidiary of listed entity.
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company during the Audit Period as the Company is not a listed entity:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- (viii) The Company being an Internet Service Provider (ISP) has complied with the Information Technology Act, 2000 and regulations, guidelines and directions issued by the

Annexure “G” to the Board’s Report

Telecom Regulatory Authority of India (TRAI). The Company has its own robust compliance system and the Company is also subject to monitoring by and reporting of compliances to TRAI.

- (ix) Other laws to the extent applicable to the Company as per the representations made by the Company;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the above mentioned Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in certain cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. Mr. Vynsley Fernandes was re-appointed as a Director of the Company pursuant to section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 vide Ordinary resolution passed at the Annual General Meeting of the Company held on 24th September, 2021.
2. Ms. Kanchan Chitale was re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of three consecutive years from November 06, 2020 to November 05, 2023 pursuant to section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 vide Ordinary resolution passed at the Annual General Meeting of the Company held on September 24th, 2021.
3. Mr. Prashant Asher was re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of three consecutive years from November 06, 2020 to November 05, 2023 pursuant to section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 vide Ordinary resolution passed at the Annual General Meeting of the Company held on 24th September, 2021.

For RJSY & ASSOCIATES.
Company Secretaries.

Sadhana Yadav
ACS No: 27559

Place: Mumbai
Date: May 11, 2022

Certificate of Practice No.: 16932
ICSI UDIN: A027559D000305421

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*

Annexure “G” to the Board’s Report

To,
The Members
ONEOTT Intertainment Limited

Our report of even date is to be read along with this letter.

‘Annexure A’

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. The audit practices and processes as followed by us were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RJSY & ASSOCIATES.
Company Secretaries.

Sadhana Yadav
ACS No: 27559
Certificate of Practice No.: 16932
ICSI UDIN:A027559D000305421

Place: Mumbai
Date: May 11, 2022

Annexure “H” to the Board’s Report

ANNUAL CORPORATE SOCIAL RESPONSIBILITY (“CSR”) REPORT

1	A brief outline of the Company’s CSR Policy, including an overview of the project or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects of the programs	<p>NXTDIGITAL LIMITED (hereinafter referred as NDL) allocates at least 2% of its Average Net Profits made during the three immediately preceding financial years for the planning and implementation of CSR.</p> <p>The Committee approves all the CSR initiatives which are reviewed periodically.</p> <p>Taking note of the importance of synergy and interdependence at various levels, NDL has adopted a strategy for working directly or in partnership, which ever appropriate.</p> <ul style="list-style-type: none"> • Priority is given to Rural Development and Education. • However, specific programs might be expanded beyond this purview and upscaled. • All the CSR spends would be formulated based on need assessment using different quantitative and qualitative methods. • All the interventions would be adopted based on concurrent evaluations and knowledge management through process documentation. • Social Mobilization, advocacy at various levels, and appropriate policy changes form part of the interventions in each sector. <p>The Company has framed a CSR policy in compliance with the provision of Section 135 of the Companies Act, 2013 and the same is placed on the Company’s website, and the web link for the same is http://www.nxtdigital.co.in/investors/corporate-policies/</p>
2	The Composition of the CSR committee	<ol style="list-style-type: none"> 1. Mr. Prashant Asher - Chairman, Independent Director 2. Mr. Sudhanshu Tripathi – Member, Non - Executive Director 3. Mr. Amar Chintopanth – Member, Whole Time Director & CFO
3	Average Net profit of the Company for the last three financial years	NIL
4	CSR expenditure (2% of the amount as in item no. 3)	NIL (In terms of applicable regulatory provisions, on account of absence of average net profit for last three financial years, the Company was not required to incur any expenditure on CSR.)

Annexure “H” to the Board’s Report

5	Details of CSR spend during the year:	
	a) Total amount spend during the financial year 2021-22.	Not Applicable
	b) Amount un-spent if any	Not Applicable
	c) The manner in which the amount was spent during the financial year 2021-22	Not Applicable

6. Responsibility Statement:

The implementation and monitoring of CSR Policy comply with CSR objectives and policy of the Company.

Place: Mumbai

Date: August 27, 2022

Prashant Asher
Chairman, CSR Committee

Amar Chintopanth
Member, CSR Committee

Annexure “I” to the Board’s Report

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of the ^Director / Key Managerial Person (KMP) and Designation	Remuneration of Director / KMP for the financial year 2021-22 (₹ in lakhs)	% increase/ (decrease) in remuneration in the financial year 2021-22	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Vynsley Fernandes Managing Director & CEO	400.06	Not Applicable	158.13	On a consolidated basis, the Company clocked a revenue of ₹ 1152.18 Crores for the year ended March 31, 2022. Earnings before Interest, Depreciation and Taxes (EBIDTA) at ₹ 256.22 Crores grew at 10.39% over the previous year.
2.	Amar Chintopanth Whole Time Director & CFO	197.60	Not Applicable	78.10	
3.	Ashish Pandey Company Secretary	38.95	Not Applicable	Not Applicable	

^excludes Directors not drawing any remuneration apart from sitting fees.

- The median remuneration of the employees of the Company during the financial year 2021-22 was ₹ 2.53 Lakhs.
- The percentage decrease in the median remuneration of employees in the financial year.**
In the financial year, the median remuneration of employees in comparison to the previous year decreased by 1.56%.
- The number of permanent employees on the roll of the Company.**
There were 837 permanent employees on the rolls of the Company as on March 31, 2022.
- Average percentile increase/(decrease) made in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 2.28 and there is no percentile increase in the managerial remuneration for the same financial year.
- Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

Annexure “J” to the Board’s Report

- A. Particulars of employees drawing salary of ₹ 102 Lakhs or above per annum as required under Section 197(12) of Companies Act, 2013 read with Rule 5(2) (i) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 - NIL

Name	Age	Designation	Gross Remuneration (₹ In Lakhs)	Nature of Employment	Qualifications	Total Experience	Date of Commencement of employment	Last employment held, Designation – period for which post held
Mr. Vynsley Fernandes	53	Managing Director & CEO	400.06	Contractual	Degree in Mass Communication & Media	26 years	August 01, 2020	CEO and Manager of IMCL for a period of 1 year.
Mr. Amar Chintopanath	63	Whole Time Director & CFO	197.60	Contractual	Chartered Accountant	37 Years	August 12, 2014	

Notes:

- The Gross remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites as per Income tax rules and company's contribution to provident fund and superannuation fund. In addition, employees are entitled to gratuity and leave encashment in accordance with the company's rules.
 - The employee mentioned above is not a relative of any director of the Company.
- B. Particulars of the employees employed for a part of a year drawing salary of not less than ₹ 8.50 Lakhs per month in aggregate - NIL**
- C. Particulars of the employee employed throughout the year or a part of the year who was in receipt of remuneration which is in excess of that drawn by the Managing Director and who holds himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company - NIL**

Independent Auditor’s Report

To the Members of NXTDIGITAL LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **NXTDIGITAL LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “standalone Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2022, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
1.	<p>Revenue recognition on subscription, installation charges, carriage and channel placement fees (Refer note 26 to the standalone Ind AS financial statements)</p> <p>The Company is in the business of Media and Communication which is primarily into distribution of TV signals both through Cable and Satellite. The various streams of revenue recognition are revenue from subscription, installation charges, and carriage and channel placement fees.</p> <p>Revenue recognition is done basis the subscription plans and tariffs, agreements entered with the concerned Multi State Operators and Local Cable Operators. Carriage and channel placement fees are recognized based on the agreements entered with the TV broadcasters.</p>	<p>Our audit procedures included:</p> <p>a) Design and Implementation of internal financial controls - We have by way of a walkthrough procedure understood and tested the control design and implementation as established by the Management over revenue recognition.</p> <p>b) Validation of Accounting Policy - We have assessed the appropriateness of the Company’s accounting policy on revenue recognition by comparing with applicable accounting standards.</p>

Independent Auditor's Report

Sr. No.	Key audit matter	How our audit addressed the key audit matter
	<p>The Company has a huge country wide presence and its operations span across many locations, and hence, there are many peculiarities with respect to contractual terms entered with operators and broadcasters. Also, significant judgment is involved in assessing the timing and extent of revenue recognition for installation, carriage and channel placement fees. Based on the above factors, we have identified revenue recognition as a key audit matter.</p>	<p>c) Control testing - Based on the thorough understanding of the process related to each of the revenue stream, and the controls in place in respect of each of the activity involved in the processes, we have tested the operating effectiveness of the key controls adopted by the Company.</p> <p>d) Test of details - We have verified the revenue recognized in respect of each of the revenue streams on sample basis along with invoices raised and relevant supporting documents such as underlying agreement/ contract entered into with operators and broadcasters. We have verified and assessed the revenue recognition working with the requirements of Ind AS 115. We have verified the judgment and estimates made by the management in revenue recognition.</p>
2.	<p>Recognition of Deferred Tax on Unabsorbed losses</p> <p>The Company recognizes deferred tax assets on unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be used. Future realization of deferred tax assets depends on the existence of sufficient taxable income of the appropriate character. Sources of taxable income include future reversals of deferred tax liabilities, expected future taxable income, and tax planning strategies.</p> <p>The Company has recognized a deferred tax asset in respect of unabsorbed depreciation and business losses pertaining to the earlier assessment years. The balance of deferred tax asset (net) as at March 31, 2022 amounting to ₹ 24,599.11 lakhs (comprise of deferred tax asset of ₹ 22,219.09 lakh and ₹ 4,310.00 lakhs in respect of unabsorbed depreciation and business losses respectively). The deferred tax asset has been recognized as it is considered to be recoverable based on the Company's projected taxable profits in the forthcoming years. Under Ind AS - 12 Income Taxes, the carrying amount of a deferred tax asset is required to be reviewed at the end of each reporting period.</p> <p>This has been determined as a key audit matter as the amount is significant to the standalone Ind AS financial statements and significant judgement was required by the Company's Management in the preparation of forecasts of future taxable profits based on the underlying business plans. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimates of taxable income.</p>	<p>Our audit procedures included:</p> <p>a) Design and Implementation of internal financial controls - We have by way of a walkthrough procedure understood and tested the design and implementation of controls in respect of the identification and evaluation of deferred tax assets and the recording and re-assessment of the related liabilities/assets and provisions and disclosures.</p> <p>b) Validation of Accounting Policy - We have assessed the appropriateness of the Company's accounting policy on deferred tax assets by comparing with applicable accounting standards.</p> <p>c) Test of details - We tested management's assumptions including forecasts and sensitivity analysis in respect of recoverability of deferred taxes on unabsorbed depreciation/carry forward losses. Evaluated the progress made by the Company in recent periods vis-a-vis the approved budget along with reasons for variance, if any, which inter-alia included monitoring of progress of projects and related costs and improvement of order book position; We evaluated existing deferred tax liabilities in the same tax jurisdiction that may be used to offset existing unused tax losses prior to their expiry date; We analyzed the consistency of cash flow forecasts with management's latest estimates presented to the Board of Directors as part of the budget process; We evaluated whether the estimates of future taxable income were consistent with evidence obtained in other areas of the audit We tested the reasonableness of the managements estimate of the business plan data and long-term growth rates accurately reflected those used in the measurement of deferred taxes; We have evaluated disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements. We reviewed the adequacy of the Company's disclosures for deferred tax assets.</p>

Independent Auditor's Report

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis Report etc., but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
 - g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information

and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 49 on Contingent Liabilities to the standalone Ind AS financial statements;
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 50 to the standalone Ind AS financial statements;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iv) (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As stated in Note 51 to the standalone Ind AS financial statements:
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Act, as applicable;
 - (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with Section 123 of the Act, as applicable.

For Haribhakti & Co. LLP
Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership No. 048539

UDIN:22048539AJMYTC7872

Place: Mumbai

Date: May 18, 2022

Annexure 1 To The Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **NXTDIGITAL LIMITED** ("the Company") on the standalone Ind AS financial statements for the year ended March 31, 2022]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets except in case of distribution equipment like Cable and Optical fibre network and Set top boxes installed at various subscriber's locations. As informed by the management, it is impracticable to maintain detailed records of such assets given the nature of such assets and the Company's business.
- (a) (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment to cover all the items, except set top boxes installed at subscriber's location, in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment except for leasehold improvements, set top boxes, cables and all intangible asset were due for verification during the year and were physically verified by the management during the year. No material discrepancies were noticed on such verification.
- With respect to set top boxes installed at various subscriber's location, due to the nature and location of such assets, it is not possible for the management to physically verify the set top boxes.
- (c) The Company does not have any immovable property and accordingly, reporting under clause (i) (c) of paragraph 3 of the Order is not applicable.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i) (d) of paragraph 3 of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory lying in the books of account consist of Land (Real Estate inventory), media inventory and stock of network cable and equipment. In respect of Land, physical verification of title deeds and regular site visits were done by the Management and no material discrepancies were noticed on such verification. In respect of media inventory, it cannot be subject to physical verification as it is in the nature of free commercial time. The management has conducted physical verification of inventory in respect of stock of network cable and equipment at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies were noticed on physical verification carried out during the year.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company.
- (iii) (a) During the year, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to the following entities:

(₹ in

Sr. No.	Particulars	Guarantees	Security	Loans	Advances in the nature of loans
1	Aggregate amount granted / provided during the year				
	- Subsidiaries	Nil	Nil	865.00	Nil
	- Others	Nil	Nil	120.60	Nil
2	Balance outstanding as at March 31, 2022 in respect of above cases				
	- Subsidiaries	Nil	Nil	Nil	Nil
	- Others	Nil	Nil	Nil	Nil

Annexure 1 To The Independent Auditor's Report

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the Company during the year are not prejudicial to the interest of the Company.
- (c) The schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated and the repayments or receipts during the year are regular.
- (d) In respect of the aforesaid loans and advances in the nature of loans, there is no overdue amount remaining outstanding as at the balance sheet date. The loan has been fully repaid during the year.
- (e) There were no loans or advances in the nature of loan granted which has/have fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment other than the loan given during the year which was repayable on demand and has been fully repaid during the year.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues outstanding with respect to Income tax, GST, sales tax, service tax, value added tax, customs duty, Entertainment Tax, License Fees on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of the dues	Amount in ₹ lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.18	AY 1999-2000	High Court
Income Tax Act, 1961	Income Tax	101.65	AY 2000-2001	High Court
Income Tax Act, 1961	Income Tax	0.35	AY 2001-2002	High Court
Income Tax Act, 1961	Income Tax	184.42	AY 2002-2003	Assessing Officer
Income Tax Act, 1961	Income Tax	9.34	AY 2011-2012	Assessing Officer
Income Tax Act, 1961	Income Tax	2,365.89	AY 2014-2015	Assessing Officer / Commissioner of Income Tax (Appeals)/
Income Tax Act, 1961	Income Tax	312.20	AY 2015-2016	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,152.56	AY 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	151.02	AY 2017-2018	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	222.15	AY 2018-2019	Commissioner of Income Tax (Appeals)
The Maharashtra Entertainment Duty Act, 1923	Entertainment Tax	56.00	May 2008 to July 2010	Office of Tahsildar / Tahsildar Borivali

Annexure 1 To The Independent Auditor's Report

Name of the statute	Nature of the dues	Amount in ₹ lakhs	Period to which the amount relates	Forum where dispute is pending
The Maharashtra Entertainment Duty Act, 1923	Entertainment Tax	507.09	April 2013 to June 2013	Office of Tahsildar, Borivali, Andheri, Kurla & Office of Collector, Mumbai City
The Maharashtra Entertainment Duty Act, 1923	Entertainment Tax	1,261.06	April 2013 to October 2014	Office of Collector, Nagpur / Bombay High Court
The Maharashtra Entertainment Duty Act, 1923	Entertainment Tax	41.35	April 2013 to July 2013	Office of Collector, Nashik
The Maharashtra Entertainment Duty Act, 1923	Entertainment Tax	19.77	April 2009 to June 2015	Office of Collector, Mumbai Suburban District
The AP Entertainment Duty Act, 1939	Entertainment Tax	193.00	April 2010 to March 2014	Commercial Tax Officer, Hyderabad
The UP Entertainment & Betting tax Act, 1979	Entertainment Tax	107.69	April 2013 to June 2017	District Magistrate, Noida
Service Tax	Service Tax – Delhi	41.45	October 2006 to March 2007	CESTAT
Service Tax	Service Tax – Delhi	45.63	April 2003 to December 2007	CESTAT
Service Tax	Service Tax – Delhi	2.00	January 2008 to September 2008	CESTAT
Service Tax	Service Tax – Delhi	3.24	October 2008 to June 2009	CESTAT
Service Tax	Service Tax – Delhi	3.38	July 2009 to December 2009	CESTAT
Service Tax	Service Tax – Delhi	3.51	January 2010 to December 2010	CESTAT
Service Tax	Service Tax – Mumbai	9,196.49	April 2010 to December 2014	Commissioner of Service Tax - V, Mumbai
Service Tax	Service Tax – Mumbai	2,981.56	January 2015 to June 2017	Commissioner of Service Tax - V, Mumbai
West Bengal Value Added Tax Act	Value Added tax – West Bengal	44.00	April 2012 to March 2013	Deputy commissioner
Karnataka Value Added Tax Act	Value Added Tax	25.91	FY 2011-2012	Karnataka High Court
Karnataka Value Added Tax Act	Value Added Tax	35.69	FY 2012-2013	Karnataka High Court
Karnataka Value Added Tax Act	Value Added Tax	14.80	FY 2015-2016	CTO, Belgavi
Karnataka Value Added Tax Act	Value Added Tax	76.74	FY 2013-2014	CTO, Belgavi
Karnataka Value Added Tax Act	Value Added Tax	46.47	FY 2016-2017	CTO, Belgavi
UP Value Added Tax Act, 2008	Value Added Tax	23.66	FY 2016-2017	CTO, Noida
Gujarat Value Added Tax Act, 2003	Value Added Tax	6.01	FY 2015-2016	VAT Authorities, Gujarat
Chhattisgarh Value Added Tax Act, 2005	Value Added Tax	54.57	FY 2015-2016 and FY 2016 – 2017	Deputy Commissioner Appeal, Raipur
Telangana State Value Added Tax Act, 2005	Value Added Tax	358.19	November 2015 to June 2017	Deputy Commissioner – Appeals

Annexure 1 To The Independent Auditor's Report

Name of the statute	Nature of the dues	Amount in ₹ lakhs	Period to which the amount relates	Forum where dispute is pending
Telangana State Value Added Tax Act, 2005	Value Added Tax	104.47	November 2015 to June 2017	Deputy Commissioner – Appeals
Andhra Pradesh State Value Added Tax Act, 2005	Value Added Tax	297.58	November 2015 to June 2017	Deputy Commissioner – Appeals
Andhra Pradesh State Value Added Tax Act, 2005	Value Added Tax-Vijaywada Penalty	74.40	November 2015 to June 2017	Deputy Commissioner – Appeals
Central Sales Tax Act, 1956	Central Sales Tax Act, 1956	76.97	2014-2015	Sales Tax Officer
Central Sales Tax Act, 1956	Central Sales Tax Act, 1956	24.94	2012-13, 2013-14 and 2014-15	CTO, Telangana
Central Sales Tax Act, 1956	Central Sales Tax Act, 1956	269.29	2015-16	Sales Tax Officer
Central Sales Tax Act, 1956	Central Sales Tax Act, 1956	209.55	2016-17	Sales Tax Officer
Central Sales Tax Act, 1956	Central Sales Tax Act, 1956	833.89	2017-18	Sales Tax Officer
Customs Act, 1962	Customs Duty	9.76	December 2015 to December 2016	CESTAT, Mumbai
Customs Act, 1962	Customs Duty	410.91	December 2015 to December 2019	CESTAT, Mumbai
Department of Telecommunications	License Fees	58,711.82	FY 2010-11 to FY 2014-15	TDSAT
Goods and Services Tax	Goods and Service Tax	115.98	July 2017 till March 2021	High court - Allahabad

- (viii) We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not obtain any money by way of term loans during the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as defined under the Act.
- (x) (a) The Company has utilized the money raised by way of initial public issue offer / further public offer (including debt instruments) during the year for the purposes for which they were raised.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations

given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi) (c) and (d) of paragraph 3 of the Order are not applicable.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP
Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner

Membership No. 048539

UDIN:22048539AJMYTC7872

Place: Mumbai

Date: May 18, 2022

Annexure 2 To The Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **NXTDIGITAL LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2022]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of NXTDIGITAL LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure 2 To The Independent Auditor's Report

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner
Membership No. 048539
UDIN:22048539AJMYTC7872

Place: Mumbai
Date: May 18, 2022

Balance Sheet

as at March 31, 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
Property, plant and equipment	2	51,365.31	63,666.14
Capital work-in-progress	3	443.61	549.59
Right to use asset	4	21,751.30	12,906.21
Other intangible assets	5	7,645.41	7,131.72
Financial assets			
Investments	6	34,841.05	34,805.19
Other financial assets	7	5,280.18	275.40
Income tax asset (net)	8	4,921.43	3,608.22
Deferred tax assets (net)	36	24,599.11	18,176.09
Other non-current assets	9	3,550.58	2,772.46
Total Non-Current Assets		154,397.97	143,891.02
Current Assets			
Inventories	10	1,991.65	4,322.28
Financial assets			
Investments	6A	77.91	106.58
Trade receivables	11	4,819.50	4,203.87
Derivatives assets	12	-	8.29
Unbilled receivable	13	982.41	785.63
Cash and cash equivalents	14	696.76	521.96
Other balances with banks	15	300.14	8,352.22
Other financial assets	7A	154.49	348.82
Financials Assets classified as held for sale	16	526.17	543.07
Other current assets	9A	4,379.16	5,503.15
Total Current Assets		13,928.19	24,695.87
Total Assets		168,326.16	168,586.89
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	3,367.17	2,405.12
Other equity	18	43,525.04	20,914.33
Total equity		46,892.21	23,319.45
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	19	13,459.12	23,639.08
Lease hold liability		19,206.58	12,072.45
Provisions	20	615.18	681.45
Deferred income	21	61.44	304.82
Total Non-current Liabilities		33,342.32	36,697.80
Current Liabilities			
Financial liabilities			
Borrowings	19A	63,266.45	63,792.10
Lease hold Liability		4,036.03	2,527.06
Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	22	113.76	81.00
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		12,131.07	21,060.86
Derivatives liabilities	23	43.42	-
Other financial liabilities	24	5,538.93	16,820.57
Other current liabilities	25	574.87	549.49
Provisions	20A	79.06	76.73
Deferred income	21A	2,308.03	3,661.83
Total Current Liabilities		88,091.63	108,569.64
Total Liabilities		121,433.95	145,267.44
Total Equity and Liabilities		168,326.16	168,586.89
Significant accounting policies	1		
The above Standalone Balance sheet should be read in conjunction with the accompanying notes	2 - 60		

As per our report even date attached

For and on behalf of the Board of Directors of

NXTDIGITAL LIMITED

CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP

Chartered Accountants

Firm's Registration No. 103523W / W100048

Snehal Shah

Partner

Membership No. 048539

Place : Mumbai

Date : May 18, 2022

Vynsley Fernandes

Managing Director & Chief Executive Officer

DIN 02987818

Amar Chintopanth

Whole Time Director & Chief Financial Officer

DIN 00048789

Place : Mumbai

Date : May 18, 2022

Anil Harish

Director

DIN 00001685

Ashish Pandey

Company Secretary

FCS No. 6078

Statement of profit and loss

for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	26	70,171.54	69,473.96
Other income	27	6,208.21	1,265.64
Total Income (I)		76,379.75	70,739.60
Expenses			
Purchases of inventories		551.44	444.15
Changes in Inventories	28	2,330.63	(135.07)
Operating expenses	29	34,615.30	36,071.04
Employee benefits expenses	30	5,340.68	5,687.78
Finance costs	31	11,808.70	12,795.11
Depreciation and amortisation expenses	32	17,588.55	17,852.75
Other expenses	33	14,686.11	13,193.63
Total Expenses (II)		86,921.41	85,909.39
Loss before tax from continuing operations (I - II)		(10,541.66)	(15,169.79)
Tax expenses :	35		
i) Current tax		-	-
ii) Deferred tax (credit) /charge		(6,402.62)	(9,673.74)
Total Tax Expenses		(6,402.62)	(9,673.74)
Loss after tax from continuing operations		(4,139.04)	(5,496.05)
Discontinued operations			
a. (Loss) / Profit from discontinued operations		(8.98)	317.17
b. Tax Expense of discontinued operations		(2.26)	71.27
Net (Loss) /Profit after tax from discontinued operations (a - b)		(6.72)	245.90
Net Loss for the year		(4,145.76)	(5,250.15)
Other Comprehensive Income (OCI)			
A) Items that will not be reclassified to profit or loss (Discontinued)			
a) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income		(7.92)	53.62
b) Income tax on above items		2.52	(4.61)
Total of items that will not be reclassified to profit or loss: (Discontinued)		(5.40)	49.01
B) Items that will not be reclassified to profit or loss (Continuing)			
a) Re-measurement of defined benefit plans		56.27	60.25
b) Income tax on above items		(14.16)	(15.16)
Total of items that will not be reclassified to profit or loss: (Continuing)		42.11	45.09
C) Items that will be subsequently reclassified to the Statement of profit or loss			
a) Effective portion of gain / (loss) on hedging instrument in cash flow hedges		(136.20)	69.37
b) Income tax on above items		29.78	(17.46)
Total of items that will be reclassified to profit or loss:		(106.42)	51.91
Total Other Comprehensive Income / (Loss) for the year (A + B + C)		(69.71)	146.01
Total Comprehensive Income / (Loss) for the year		(4,215.47)	(5,104.14)
Earnings per equity share (Face value of ₹ 10 each)			
a. For continuing operation:			
Basic (in ₹)	34	(15.04)	(20.94)
Diluted (in ₹)	34	(15.04)	(20.94)
b. For discontinued operation:			
Basic (in ₹)	34	(0.02)	0.94
Diluted (in ₹)	34	(0.02)	0.94
c. For continuing and discontinued operations:			
Basic (in ₹)	34	(15.06)	(20.00)
Diluted (in ₹)	34	(15.06)	(20.00)
Significant accounting policies	1		
The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes	2 - 60		

As per our report even date attached

For and on behalf of the Board of Directors of
NXTDIGITAL LIMITED
 CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP
 Chartered Accountants
 Firm's Registration No. 103523W / W100048

Vynsley Fernandes
 Managing Director & Chief Executive Officer
 DIN 02987818

Anil Harish
 Director
 DIN 00001685

Snehal Shah
 Partner
 Membership No. 048539

Amar Chintopanth
 Whole Time Director & Chief Financial Officer
 DIN 00048789

Ashish Pandey
 Company Secretary
 FCS No. 6078

Place : Mumbai
 Date : May 18, 2022

Place : Mumbai
 Date : May 18, 2022

Statement of cash flows

for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A Cash Flow from Operating Activities		
Profit / (Loss) before tax from continuing operations	(10,541.66)	(15,169.79)
Profit / (Loss) before tax from discontinued operations	(8.98)	317.17
Adjustments for:		
Depreciation and amortisation expense	17,588.55	17,852.75
Net Loss / (Gain) on fair valuation and sale of investments	1.79	(349.48)
Finance costs	11,808.70	12,795.11
Interest income	(158.21)	(198.83)
Interest on income-tax refund	(1.75)	(46.58)
Dividend income	(2.11)	(3.54)
Unwinding of security deposits	(40.22)	(18.05)
Amortisation of security deposits	44.30	15.88
Sundry credit balances written back	(2,866.62)	(285.61)
Provision for diminution in value of investments	-	11.18
Foreign currency fluctuations (net)	14.20	347.62
Bad debts written off/ Provision for doubtful debts	1,668.26	391.30
Advances written off	259.75	416.25
Net loss/(profit) on sale/discardment of property, plant and equipment	(921.28)	-
	27,395.35	30,928.00
Operating Profit before working capital changes	16,844.72	16,075.37
Changes in working capital:		
(Increase)/ Decrease in trade receivables	(2,283.88)	(6,308.97)
Movement of derivatives (net)	(84.49)	2,146.27
(Increase)/ Decrease in inventories	2,330.63	(135.22)
(Increase)/ Decrease in other financial assets	(5,074.28)	2,003.92
(Increase)/ Decrease in other assets	149.09	2,949.07
(Decrease)/ Increase in trade payables	(6,044.60)	(4,044.57)
(Decrease)/ Increase in provisions	10.47	132.30
(Decrease)/ Increase in other financial liabilities	(11,144.41)	(1,263.36)
(Decrease)/ Increase in other liabilities	(1,571.79)	(178.06)
	(23,713.28)	(4,698.60)
Cash generated from operations	(6,868.56)	11,376.78
Taxes paid net of refunds	(1,329.60)	740.97
Net Cash (used in)/ generated from Operating Activities (A)	(8,198.16)	12,117.75
B Cash Flow from Investing Activities		
Interest income	158.21	198.32
Dividend income	2.11	3.54
Payment / (Receipts) towards purchase of property, plant and equipment	(15,814.39)	(5,479.25)
(Increase)/ Decrease in other bank balances	8,052.08	462.96
Proceeds from sale of property, plant and equipment	2,195.14	93.24
Proceeds from sale of investments	-	9,613.01
	(5,406.85)	4,891.82
Net Cash (used in)/ generated from Investing Activities (B)	(5,406.85)	4,891.82

Statement of cash flows

for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C Cash Flow from Financing Activities		
Proceeds from rights issue (net)	28,680.92	-
Receipt of loans given (net)	77,538.00	5,460.23
Repayment of borrowings taken (net of repayment)	(88,243.61)	(8,081.10)
Finance cost	(11,945.92)	(11,229.03)
Payment of lease liability	8,643.10	(2,800.66)
Dividend paid (including unclaimed)	(892.68)	13,779.82
		(1,202.00)
		(17,852.55)
Net Cash (used in) / generated from Financing Activities (C)	13,779.82	(17,852.55)
Net decrease in Cash and Cash Equivalents (A+B+C)	174.80	(842.98)
Cash and cash equivalents at the beginning of the year	521.96	1,364.94
Cash and cash equivalents at the end of the year	696.76	521.96
Cash and cash equivalents comprises of:		
Cash on hand	4.81	4.10
Cheques on hand	65.70	41.88
Balance with banks		
- Current accounts	325.16	62.33
- deposit accounts with original maturity of less than three months	301.09	211.12
- debit balance of cash credit facility	-	202.53
Total	696.76	521.96

Notes:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows.
- Previous year's figures have been regrouped / rearranged wherever necessary, to conform to figures of the current year.

Significant accounting policies	1
The above Standalone Statement of Cash flows should be read in conjunction with the accompanying notes	2 - 60

In terms of our report attached

For and on behalf of the Board of Directors of
NXTDIGITAL LIMITED
CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP
Chartered Accountants
Firm's Registration No. 103523W / W100048

Vynsley Fernandes
Managing Director & Chief Executive Officer
DIN 02987818

Anil Harish
Director
DIN 00001685

Snehal Shah
Partner
Membership No. 048539

Amar Chintopanth
Whole Time Director & Chief Financial Officer
DIN 00048789

Ashish Pandey
Company Secretary
FCS No. 6078

Place : Mumbai
Date : May 18, 2022

Place : Mumbai
Date : May 18, 2022

Statement of Changes in Equity

for the year ended March 31, 2022

(A) Equity share capital

(₹ in Lakh)

Particulars	Amount
Balance as at March 31, 2020	2,055.55
Changes in equity share capital during the year	349.57
Balance as at March 31, 2021	2,405.12
Changes in equity share capital during the year (Refer Note 17(v))	962.05
Balance as at March 31, 2022	3,367.17

(B) Other Equity

(₹ in Lakh)

Particulars	Reserve and surplus				Other comprehensive income		Total equity attributable to equity holders
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments through (FVTOCI)	Cash Flow hedge reserve	
Balance as at March 31, 2020	(129,593.01)	670.58	24,755.54	90,834.52	40,045.36	508.02	27,221.02
Add: Loss for the year ended March 31, 2020	-	-	-	(5,250.15)	-	-	(5,250.15)
Less: Final dividend paid	-	-	-	(1,202.55)	-	-	(1,202.55)
OCI balance transferred to retained earnings*	-	-	-	40,602.28	(40,602.28)	-	-
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	69.37	69.37
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	-	-	-	53.62	-	53.62
Add : Remeasurement loss on defined benefit obligations	-	-	-	60.25	-	-	60.25
Less: Income tax on above	-	-	-	(15.16)	(4.61)	(17.46)	(37.23)
Balance as at March 31, 2021	(129,593.01)	670.58	24,755.54	125,029.19	(507.91)	559.93	20,914.33
Add: Loss for the year ended March 31, 2021	-	-	-	(4,145.76)	-	-	(4,145.76)
Less: Final dividend paid	-	-	-	(892.68)	-	-	(892.68)
Add: Additions during the year on account of rights issue	-	27,899.34	-	-	-	-	27,899.34
Less : Right issue expenses	-	(180.47)	-	-	-	-	(180.47)
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	(136.20)	(136.20)
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	-	-	-	(7.92)	-	(7.92)
Add : Remeasurement loss on defined benefit obligations	-	-	-	56.27	-	-	56.27
Less: Income tax on above	-	-	-	(14.16)	2.52	29.78	18.14
Balance as at March 31, 2022	(129,593.02)	28,389.44	24,755.53	120,032.85	(513.32)	453.50	43,525.04

*The realized gains / losses arising out of financial instruments, earlier classified as Fair Value through Other Comprehensive Income (FVTOCI), has been transferred to Retained earnings.

Significant accounting policies

1

The above Standalone of Changes in equity should be read in conjunction with the accompanying notes

2 - 60

In terms of our report attached

For and on behalf of the Board of Directors of
NXTDIGITAL LIMITED
CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP

Chartered Accountants
Firm's Registration No. 103523W / W100048

Snehal Shah

Partner
Membership No. 048539

Place : Mumbai

Date : May 18, 2022

Vynsley Fernandes

Managing Director & Chief Executive Officer
DIN 02987818

Amar Chintopanth

Whole Time Director & Chief Financial Officer
DIN 00048789

Place : Mumbai

Date : May 18, 2022

Anil Harish

Director
DIN 00001685

Ashish Pandey

Company Secretary
FCS No. 6078

Notes to the standalone financial statements for the year ended March 31, 2022

1. Corporate information

NXTDIGITAL LIMITED (“the Company”) is a public limited company incorporated and domiciled in India and governed by the Companies Act, 2013 (“Act”). The Company’s registered office is situated at In Centre, 49/50, MIDC, Andheri East, Mumbai – 400 093, Maharashtra, India.

The main activities of the Company span over three segments namely Media and Communication business and Others, which pertain to Real Estate activities which include real estate assets (Land) acquired for the purpose of development in future.

The management of the Company decided during the year ended March 31, 2020, to discontinue its Treasury and Investment segment operations. Accordingly, the related revenue of interest income, dividend income from treasury and investment operations has been classified as ‘Discontinuing operations’. The related Investments in the balance sheet is disclosed under to ‘Financial Assets classified as Held for Sale’. The figures for this discontinued business have been disclosed as a separate segment as “Treasury and Investment Operation (Discontinued)” in the segment information.

1A. Basis of Preparation of Financial Statements

1. Statement of compliance

These Financial Statements are the separate Financial Statements of the Company (also called Standalone Financial Statements) prepared in accordance with Indian Accounting Standards (‘Ind AS’) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2. Functional and Presentation currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

3. Basis of measurement

The Standalone Financial Statements have been prepared on the historical cost basis except certain financial instruments that are measured at fair values at the end of each reporting period as explained.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per Company normal operating cycle and presented as per criteria set out in the Division II format of Schedule III to the Act. The Company has identified its operating cycle as twelve months.

Notes to the standalone financial statements for the year ended March 31, 2022

1B. Significant Accounting Policies

The significant accounting policies are detailed below

1B.1 Use of Estimates

The preparation of standalone financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1. Useful lives of property, plant and equipment (refer note no.1B.6)
2. Impairment of property, plant and equipment as well as intangible assets (refer note no.1B.8)
3. Impairment of investments in subsidiaries (refer note no.1B.13)
4. Employee benefits (refer note no.1B.4)
5. Expense Provisions & contingent liabilities (refer note no.1B.11)
6. Valuation of deferred tax assets (refer note no.1B.5)
7. Leases (refer note no.1B.9)

1B.2 Revenue recognition

The Company has adopted Ind AS 115 “Revenue from Contracts with Customers” which sets forth a single comprehensive model for recognising and reporting revenues.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services in the normal course of business.

Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

To recognise revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract and
- (5) recognise revenues when a performance obligation is satisfied.

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.

The performance obligations of the Company are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognised will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Notes to the standalone financial statements for the year ended March 31, 2022

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Company evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

Lease Income - Optic Fibre Cable

The policy for recognition of revenue from operating leases is described in 1B.9 below

Installation revenue

Installation revenue on Set Top Boxes (STBs) is recognised over the estimated period of customer relationships. Revenue is recognised on satisfaction of performance obligation upon transfer of promised products or services in an amount that reflects the consideration which the Company expects to receive in exchange of those products and services. Installation revenue on Set Top Boxes (STBs) is deferred and is recognised over the estimated period of customer relationship. Amount billed for services as per contractual terms but not recognised as revenue, is shown as income received in advance under other deferred income. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for providing services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Revenue in excess of invoicing are disclosed as contracts assets ("unbilled receivables") and invoicing in excess of revenues are disclosed as contract liabilities.

Rendering of other services

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Other Income

Other income comprise of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

Accounting treatment of assets and liabilities arising in course of sale of goods and services is set out below:

Trade receivable

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due)

Contract balances

Contract Asset

A contract asset is right to consideration in exchange of services that the company has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables

Notes to the standalone financial statements for the year ended March 31, 2022

(only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company renders services as per the contract.

1B.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

1B.4 Employee benefits

Employee benefits include contributions to provident fund, employee state insurance scheme, gratuity fund, compensated absences, pension and post-employment medical benefits.

Retirement benefit costs and termination benefits

Payments to defined contribution plans i.e., Company's contribution to Government administered provident fund, superannuation fund and State plans namely Employees State Insurance and Employees' Pension Scheme other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period when the services are rendered by the employees entitling them to the contributions and the Company has no further obligation beyond making its contribution.

For defined benefit plans i.e. Company's liability towards gratuity (unfunded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss. Past service cost is recognised in statement of profit or loss in the period of a plan amendment Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, performance incentives, annual leave, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Notes to the standalone financial statements for the year ended March 31, 2022

1B.5 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax for the year are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Provisions for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting these balances on an assessment year basis.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1B.6 Property, plant and equipment

Cost

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation / amortisation and accumulated impairment loss if any. Cost includes freight, duties, taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Set Top Boxes ('STBs') issued to customers are capitalized at moving average price on issuance / installation. Spares that do not meet the definition of property, plant and equipment and do not satisfy the criteria of Ind AS 16 are charged off to the Statement of profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Notes to the standalone financial statements for the year ended March 31, 2022

Capital work in progress

The Set Top Boxes ('STBs') which are not issued to customers are recorded as Capital work-in-progress at moving average price issued. Certain encoders and other plant and machinery not installed at the customer premises are categorised under Capital work-in-progress until installed and ready for intended use.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of profit or loss during the reporting period in which they are incurred.

Depreciation / amortisation

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives of the assets specified in Schedule II of the Companies Act, 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Particulars	Estimated Useful life
Plant and machinery	6-18 years
Office Equipment	5 years
Computers	3 years
Set Top Boxes	8 years
Furniture and fixtures	10 years
Vehicles	8 years

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

De-recognition

An item of property, plant and equipment is derecognized upon disposal or retired from active use or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of profit or loss in the year of occurrence.

1B.7 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Useful lives of intangible asset

Estimated useful lives of the intangible asset, based on technical assessment carried out by the management, is as follows:

Classes of Intangible Asset	Useful life
Computer Software (Acquired)	6 years
Computer software	2-6 years
Network rights	10 years
Licence fees	10 years

Notes to the standalone financial statements for the year ended March 31, 2022

Other Intangible assets

The company incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 24 months.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

1B.8 Impairment of tangible and intangible assets

At the end of each reporting period, the Company determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1B.9 Leases

As Lessor

The Company's lease asset classes primarily consist of leases for Plant and Machinery – Optic Fibre Cable. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognised on a straight-line basis over the lease term. Rental income, based on agreement, is recognised based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

As Lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Notes to the standalone financial statements for the year ended March 31, 2022

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

1B.10 Inventory

Real Estate (Land) inventories are stated at lower of cost and net realisable value. Cost includes cost of land, registration charges, stamp duty, brokerage costs and incidental expenses. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

Inventory (network cable and equipment and other traded goods), consisting of cables, head-end equipment and other network items like modems etc., are valued at lower of cost and net realizable value. Cost includes all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis.

1B.11 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

1B.12 Non-current assets held for sale (Discontinued operation)

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the statement of profit and loss.

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. The Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Upon classification, non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell and are presented separately from the other assets under 'Current Assets' in the balance sheet. Liabilities associated if any, with non-current assets classified as held for sale, are disclosed under 'Current liabilities' in the Balance Sheet.

Notes to the standalone financial statements for the year ended March 31, 2022

1B.13 financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition

- (I) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flow and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Interest Income on such debt instruments is recognised in profit or loss and is included in the "Revenue from Operations".

Currently, the Company has not designated any debt instruments as fair value through other comprehensive income.

- (ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of subsidiaries and associates) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains (e.g. any dividend or interest earned on the financial asset) or losses arising on re-measurement recognised in profit or loss and included in the "Revenue from Operations".

Investments in equity instruments of subsidiaries and other equity instruments

The Company measures its investments in equity instruments of subsidiaries at cost less impairment, if any, in accordance with Ind AS 27.

All other equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

Notes to the standalone financial statements for the year ended March 31, 2022

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive, discounted at the original effective interest rate) and credit risk exposure on the following financial assets;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, it estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units' ('CGU') fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. For the purpose of assessing impairment of the cash inflows from other assets or Company's assets cash-generating units (CGU).

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19. Reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of

Notes to the standalone financial statements for the year ended March 31, 2022

direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1B.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term deposits (with an original maturity of three months or less) highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

1B.15 Cash flow statement

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Company are segregated.

1B.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

IB. 17 Segment Reporting

The Company determines segments based on the internal organisation and management structure of the Company and its system of internal financial reporting and the nature of its risks and its returns. The Board of Directors of the Company has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Company's performance, allocate resources based on analysis of various performance indicators of the Company for disclosing in the segment report. The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

Segment revenue includes income directly identifiable with the segments.

Notes to the standalone financial statements for the year ended March 31, 2022

Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".

Income which relates to the Company as a whole and not allocable to segments are included in Unallocable Income and netted off from Unallocable corporate expenses.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

1B.18 Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

(ii) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements.

(iii) Estimation of defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates, and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligation.

(iv) Contingent liabilities

Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

Notes to the standalone financial statements for the year ended March 31, 2022

1B.19 Foreign currency transactions

Foreign exchange transactions are recorded using the exchange rates which approximate to the rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date.

Any income or expense on account of exchange difference either on settlement or translation of monetary items is recognised in the Statement of profit and loss.

1B.20 Changes in Accounting Standards and other recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts –

Costs of Fulfilling a Contract - The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the standalone financial statements for the year ended March 31, 2022

2 Property, plant and equipment

(₹ in Lakh)

Particulars	Leasehold improvements	Set top boxes (STB)	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipments	Computers & data processing units	Total
I. Gross carrying amount								
Balance as at April 01, 2020	338.69	73,130.17	46,205.44	109.03	228.44	178.56	971.99	121,162.32
Additions	-	3,107.28	753.34	0.03	-	12.42	506.93	4,380.00
Disposals	335.55	22,887.96	13.71	30.64	0.45	86.91	287.50	23,642.72
Balance as at March 31, 2021	3.14	53,349.49	46,945.07	78.42	227.99	104.07	1,191.42	101,899.60
Additions	-	2,859.34	866.06	2.26	-	37.33	83.46	3,848.45
Disposals	-	20,505.41	-	-	-	-	-	20,505.41
Balance as at March 31, 2022	3.14	35,703.42	47,811.13	80.68	227.99	141.40	1,274.88	85,242.64
II. Accumulated depreciation								
Balance as at April 01, 2020	338.01	36,814.22	10,350.45	56.00	150.33	125.44	651.53	48,485.98
Depreciation charge during the year	0.68	9,631.13	3,410.71	12.59	28.41	21.48	192.48	13,297.48
Disposals	335.56	22,787.28	13.71	30.64	0.45	88.48	293.88	23,550.00
Balance as at March 31, 2021	3.13	23,658.07	13,747.45	37.95	178.29	58.44	550.13	38,233.46
Depreciation charge during the year	-	6,790.51	3,404.81	10.68	25.05	18.38	197.12	10,446.56
Disposals	-	14,802.68	-	-	-	-	-	14,802.68
Balance as at March 31, 2022	3.13	15,645.90	17,152.26	48.63	203.34	76.82	747.25	33,877.34
III. Net carrying amount (I-II)								
Net carrying amount as on March 31, 2022	0.01	20,057.52	30,658.88	32.05	24.64	64.58	527.63	51,365.31
Net carrying amount as on March 31, 2021	0.01	29,691.42	33,197.62	40.47	49.69	45.63	641.29	63,666.14

* Certain Plant and equipment are given on operating leases where the Company is lessor.

Note:

- Details of property, plant & equipment hypothecated:

First charge over all movable and immovable assets secured for borrowing (Refer note 47)

3 Capital work-in-progress

Movement in capital work-in-progress

(₹ in Lakh)

Particulars	Total
Balance as at April 1, 2020	1,312.00
Additions	2,351.59
Assets charged to consumption	(129.00)
Assets capitalised during the year	(2,985.00)
Balance as at March 31, 2021	549.59
Additions	2,952.31
Assets charged to consumption	(6.66)
Assets capitalised during the year	(3,051.63)
Balance as at March 31, 2022	443.61

Notes to the standalone financial statements for the year ended March 31, 2022

Ageing Schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
March 31, 2021					
Projects in progress	260.77	71.82	3.57	213.42	549.59
Total	260.77	71.82	3.57	213.42	549.59
March 31, 2022					
Projects in progress	350.83	90.70	2.08	-	443.61
Total	350.83	90.70	2.08	-	443.61

Note:

The projects that were in progress for more than 3 years as on March 31, 2021 have been capitalised during the year

4 Right to use assets

Movement in net carrying amount		(₹ in Lakh)
Particulars	Total	
Gross carrying value		
Balance as at April 01, 2020	11,254.06	
Additions	4,796.65	
Disposals/ discarded/ written off	689.23	
Balance as at March 31, 2021	<u>15,361.48</u>	
Additions	14,699.40	
Disposals/ discarded/ written off	763.90	
Balance as at March 31, 2022	<u>29,296.98</u>	
Accumulated amortisation		
Balance as at April 01, 2020	330.67	
Charge for the year	2,809.87	
Disposals	685.27	
Balance as at March 31, 2021	<u>2,455.27</u>	
Charge for the year	5,124.61	
Disposals	34.20	
Balance as at March 31, 2022	<u>7,545.68</u>	
Net carrying value		
As at March 31, 2022	21,751.30	
As at March 31, 2021	<u>12,906.21</u>	

Note :

The Company's leases comprise of lease of transponder, premises and set-top boxes.

Notes to the standalone financial statements for the year ended March 31, 2022

5 Other intangible assets

(₹ in Lakh)

Particulars	Network Rights	Computer software	License Fee	Other Intangibles	Total
I. Gross carrying amount					
Balance as at April 01, 2020	4,797.79	6,092.66	1,772.00	-	12,662.45
Additions	1,286.83	574.30	-	-	1,861.13
Disposals	1,563.05	512.08	-	-	2,075.13
Balance as at March 31, 2021	4,521.57	6,154.88	1,772.00	-	12,448.45
Additions	1,154.17	671.27	-	705.63	2,531.07
Disposals	-	-	-	-	-
Balance as at March 31, 2022	5,675.74	6,826.15	1,772.00	705.63	14,979.52
II. Accumulated amortisation and impairment					
Balance as at April 01, 2020	2,040.18	3,129.14	477.14	-	5,646.47
Amortisation charge during the year	658.48	984.78	102.14	-	1,745.40
Disposals	1,563.06	512.08	-	-	2,075.14
Balance as at March 31, 2021	1,136.60	3,601.84	579.28	-	5,316.73
Amortisation charge during the year	715.14	1,025.37	102.14	174.73	2,017.38
Disposals	-	-	-	-	-
Balance as at March 31, 2022	1,852.74	4,627.21	681.42	174.73	7,334.11
Net carrying amount as on March 31, 2022	3,823.00	2,198.93	1,090.58	530.90	7,645.41
Net carrying amount as on March 31, 2021	3,384.97	2,553.03	1,192.72	-	7,131.72

Notes :

Details of intangibles hypothecated:

First charge over all intangible assets secured for borrowing (refer note no. 47)

(₹ in Lakh)

Particulars	Face value per share in ₹	As at March 31, 2022	As at March 31, 2021
6 Investments (Non-current)			
Investments in equity instruments in subsidiary (at cost)			
A. Unquoted equity shares (fully paid up)			
15,09,34,830 (March 31, 2021: 15,09,34,830) IndusInd Media and Communications Limited	10.00	7,279.64	7,279.64
2,02,21,169 (March 31, 2021: 2,02,21,169) Oneott Entertainment Limited	10.00	27,199.51	27,199.51
B. Unquoted preference shares (measured at fair value through profit and loss)			
8,446,120 (March 31, 2021: 8,446,120) 7% cumulative preference shares of In Entertainment (India) Limited	10.00	361.90	326.04
Total		34,841.05	34,805.19

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Face value per share in ₹	As at March 31, 2022	As at March 31, 2021
Other investments (Non-current)			
Investments in equity instruments at fair value through other comprehensive income:			
A. Quoted equity shares (fully paid up)			
1,916 (31 March 2020: 1,916) shares of GOCL Corporation Limited	2.00	5.22	4.17
1,916 (31 March 2020: 1,916) shares of Gulf Oil Lubricants India Limited	2.00	8.05	13.98
7,900 (31 March 2020: 7,900) shares of IndusInd Bank Limited	10.00	73.94	75.52
24,007 (31 March 2020: 24,007) shares of VCK Capital Market Services Limited	10.00	-	1.46
Less: Reclassified as held for sale (Refer note 16)		(87.21)	(95.13)
Total		-	-
Total		34,841.05	34,805.19
Aggregate carrying amount of unquoted investments		34,841.05	34,805.19
6A. Other investment (current)			
Investments in equity instruments at fair value through profit and loss:			
A. Quoted equity shares (fully paid up)			
46,902 (March 31, 2021: 46,902) shares of IndusInd Bank Limited	10.00	438.96	447.94
11,250 (March 31, 2021: 11,250) shares of GOCL Corporation Limited	2.00	30.65	24.48
11,250 (March 31, 2021: 11,250) shares of Gulf Oil Lubricants India Limited	2.00	47.25	82.10
Less: Reclassified as held for sale (Refer note 16)		(438.96)	(447.94)
Total other investments (current)		77.91	106.58
Aggregate market value of quoted investments		77.91	106.58

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
7 Other financial assets (Non-current)		
(Unsecured, considered good unless otherwise stated - at amortised cost)		
Security deposits	1,214.68	269.55
Balances with banks in deposit accounts with original maturity of more than twelve months	4,065.50	5.85
Total	5,280.18	275.40
7A Other financial assets (Current)		
(Unsecured, considered good unless otherwise stated - at amortised cost)		
Security Deposits	154.49	164.83
Other receivables	-	183.99
Total	154.49	348.82
8 Income tax assets (net)		
Advance tax & tax deducted at source (net of provision)	4,921.43	3,608.22
Total	4,921.43	3,608.22
9 Other non current assets		
(Unsecured, considered good unless otherwise stated)		
Deposits with government authorities	3,158.49	2,617.46
Capital advances		
- Other advance to vendor considered good	26.02	76.74
Prepaid expenses	366.07	78.26
Total	3,550.58	2,772.46
9A Other current assets		
(Unsecured, considered good unless otherwise stated)		
Advance to vendor	382.79	534.75
Recoverable from statutory authorities	3,039.66	4,495.78
Prepaid expenses	757.83	272.18
Employee benefit asset (Refer Note 44)	189.51	169.91
Advance to employees	9.38	22.44
Other advances	-	8.09
Total	4,379.16	5,503.15
10 Inventories		
(at cost or net realisable value, which ever is lower)		
Land (Refer note 37)	1,201.80	3,719.32
Stock of network cable, equipments and traded goods	631.09	418.20
Media inventory	158.76	184.76
Total	1,991.65	4,322.28

Note: Inventories of Company is secured against borrowings (Refer Note 47)

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
11 Trade receivables (Current)		
Unsecured		
Considered good - Others	4,710.51	3,673.94
Considered good - Related parties	108.99	529.93
- Credit impaired	1,867.69	333.91
Less: Allowance for expected credit loss	(1,867.69)	(333.91)
Total	4,819.50	4,203.87

Particulars	Not due	Outstanding for following periods from due of payments					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2022							
(i) Undisputed Trade Receivable - considered good	165.26	3,204.51	1,277.15	-	-	-	4,646.92
(ii) Undisputed Trade Receivable - credit impaired	-	124.23	747.73	502.43	115.21	6.96	1,496.56
(iii) Disputed Trade Receivable - considered good	-	169.92	2.66	-	-	-	172.58
(iv) Disputed Trade Receivable - credit impaired	-	-	0.30	130.98	161.19	78.67	371.13
Total	165.26	3,498.67	2,027.83	633.41	276.40	85.63	6,687.19
As at March 31, 2021							
(i) Undisputed Trade Receivable - considered good	-	2,884.00	354.80	536.94	33.39	-	3,809.14
(ii) Undisputed Trade Receivable - credit impaired	-	110.69	79.31	114.36	2.75	-	307.11
(iii) Disputed Trade Receivable - considered good	-	16.52	105.76	193.79	78.67	-	394.73
(iv) Disputed Trade Receivable - credit impaired	-	1.18	7.52	12.87	5.22	-	26.79
Total	-	3,012.39	547.39	857.96	120.03	-	4,537.78

The average credit period of receiving the trade receivables is 90 days. No interest is charged on outstanding balance of trade receivables.

No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Nor any trade or other receivables are due from firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner or a director or a member.

Note: Trade receivables of the Company is secured against borrowings (Refer Note 47)

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
12 Derivatives assets (Current)		
(Unsecured, considered good - measured at fair value through profit and loss)		
Interest rate swap used for hedging	-	8.29
Total	-	8.29
13 Unbilled receivable		
Unbilled revenue	982.41	785.63
Total	982.41	785.63
14 Cash and cash equivalents		
Balances with banks		
- in current accounts	325.16	62.33
- in deposit accounts with original maturity of less than three months	301.09	211.12
- debit balance of cash credit facility	-	202.53
Cheques on hand	65.70	41.88
Cash on hand	4.81	4.10
Total	696.76	521.96
15 Other balances with banks		
Balances with banks		
- deposit accounts with maturity of less than twelve months*	158.73	340.81
- in unpaid dividend accounts	141.41	61.41
- in Escrow account**	-	7,950.00
Total	300.14	8,352.22

Fixed deposits and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

*under lien with banks and other parties for availment of buyers' credit and other loans

** towards payable to foreign vendor, pending approval of Ministry of Information and Broadcasting, Department of Government of India.

16 Financials Assets classified as held for sale

Particulars	Face value per share in ₹	As at March 31, 2022		As at March 31, 2021	
		Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Investments in equity instruments at fair value through other comprehensive income:					
A. Quoted equity shares (fully paid up)					
GOCL Corporation Limited	2.00	1,916	5.22	1,916	4.17
Gulf Oil Lubricants India Limited	2.00	1,916	8.05	1,916	13.98
IndusInd Bank Limited	10.00	7,900	73.94	7,900	75.52
VCK Capital Market Services Limited	10.00	24,007	-	24,007	1.46
Total I			87.21		95.13

Notes to the standalone financial statements for the year ended March 31, 2022

Particulars	Face value per share in ₹	As at March 31, 2022		As at March 31, 2021	
		Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Investments in equity instruments at fair value through profit and loss:					
A. Quoted equity shares (fully paid up)					
IndusInd Bank Limited	10.00	46,902.00	438.96	46,902.00	447.94
Total II			438.96		447.94
Total investments - Held for Sale			526.17		543.07
Liabilities associated with Financial Assets classified as held for sale			-		-
Net assets classified as held for sale			526.17		543.07

17 Equity share capital

i) Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Authorised				
Equity shares of ₹ 10 each	87,000,000	8,700.00	87,000,000	8,700.00
Preference Shares of ₹ 10 each	3,000,000	300.00	3,000,000	300.00
9.50% Preference Shares of ₹ 100 each	1,000	1.00	1,000	1.00
Total	90,001,000	9,001.00	90,001,000	9,001.00
Issued, subscribed and paid up				
Equity shares of ₹10 each fully paid	33,671,621	3,367.17	24,051,158	2,405.12
Total	33,671,621	3,367.17	24,051,158	2,405.12

i) Rights, Preferences and Restrictions attached to equity shares including restrictions on the distribution of dividends and the repayment of capital:

- i) Right to receive dividend as may be approved by the Board of Directors / Shareholders at the Annual General Meeting.
- ii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- iii) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak or e-vote and on a show of hands, has one vote if he is present and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

ii) Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	24,051,158	2,405.12	20,555,503	2,055.55
Add: Issued for acquisition of business (Refer note (iv) below)	-	-	3,495,655	349.57
Add: Rights issue during the year (Refer note (v) below)	9,620,463	962.05	-	-
Shares outstanding at the end of the year	33,671,621	3,367.17	24,051,158	2,405.12

Notes to the standalone financial statements for the year ended March 31, 2022

iii) Shares in the Company held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
Hinduja Group Limited*	13,926,836	41.36%	8,550,572	35.55%
Amas Mauritius Limited	3,170,530	9.42%	3,170,530	13.18%
Indusind International Holdings Limited	2,193,315	6.51%	1,566,654	6.51%
Aasia Corporation LLP	1,400,879	4.16%	1,400,879	5.82%

* including shares held jointly with Hinduja Realty Ventures Limited, partner of Aasia Exports

- iv) Pursuant to the Scheme of Arrangement (the 'scheme'), duly sanctioned by the National Company Law Tribunal vide Order dated 21 August 2020 with effect from the Appointed Date i.e., October 1, 2019, the Media and Communication undertaking of Indusind Media & Communications Limited (subsidiary company), stood transferred to the Company. In accordance with the scheme, during the previous year the Company had issued 10 fully paid up equity shares for every 125 shares held by the other shareholders of the subsidiary company amounting to ₹ 349.57 lakhs.
- v) The Board of Directors of the Company at their meeting held on May 13, 2021 had approved fund raising by way of Rights Issue equity shares and on December 04, 2021 had approved issue and allotment of 96,20,463 equity shares of face value of ₹ 10 each (the "Rights Equity Shares") at a price of ₹ 300 per Rights Equity Share (including premium of ₹ 290 per Rights Equity Share), aggregating to ₹ 28,861.39 Lakhs, in the ratio of 2 Rights Equity Shares for every 5 existing fully-paid shares held by the eligible equity shareholders as on the Record Date i.e. October 25, 2021.

As per the letter of offer, Rights issue proceeds can be utilised for repayment/prepayment of outstanding borrowings along with interest and general corporate purposes. As on March 31, 2022, entire Rights issue proceeds were utilised and there is no deviation in use of proceeds from the objects stated in the Offer document for the Rights issue.

Particulars	Amount
Conversion of ICD availed from Group companies into Equity	18,380.39
Part repayment of Term Loan from Bank	7,792.00
General Corporate Purpose – Fixed Deposit placed for issuing Bank Guarantee	2,000.00
Right Issue expenses/General corporate purposes	689.00
Total	28,861.39

Notes to the standalone financial statements for the year ended March 31, 2022

vi) Shareholding of promoters

Shares held by promoters as at March 31, 2022			
Promoter Name	No. of shares	% of total shares	% change during the year
Hinduja Group Limited J/W With Hinduja Realty Ventures Ltd. (Asia Exports)	1,913,123	5.68%	-2.27%
Hinduja Group Limited	12,013,713	35.68%	8.08%
Asia Corporation LLP	1,400,879	4.16%	-1.66%
Hinduja Finance Limited	-	0.00%	-0.42%
Ashok Parmanand Hinduja	745,476	2.21%	0.00%
Harsha Ashok Hinduja	708,747	2.10%	0.14%
Ambika Ashok Hinduja	265,862	0.79%	0.05%
Hinduja Properties Limited	212,843	0.63%	-0.25%
Shom Ashok Hinduja	210,010	0.62%	0.04%
Vinoo Srichand Hinduja	61,065	0.18%	-0.07%
A P Hinduja	81,490	0.24%	0.02%
Ashok Parmanand Hinduja	67,969	0.20%	0.01%
Ashok P Hinduja	47,400	0.14%	0.01%
Harsha Ashok Hinduja	25,043	0.07%	0.00%
Shanoo S. Mukhi	955	0.00%	0.00%
Hinduja Realty Ventures Limited	850,386	2.53%	2.53%
Amas Mauritius Limited	3,170,530	9.42%	-3.77%

18 Other equity

(₹ in Lakh)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments through (FVTOCI)	Cash Flow hedge reserve	
Balance as at March 31, 2020	(129,593.01)	670.58	24,755.54	90,834.53	40,045.36	508.02	27,221.02
Add: Loss for the year ended March 31, 2020	-	-	-	(5,250.15)	-	-	(5,250.15)
Less: Final Dividend paid	-	-	-	(1,202.55)	-	-	(1,202.55)
OCI balance transferred to retained earnings*	-	-	-	40,602.28	(40,602.28)	-	-
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	-	-	-	53.62	-	53.62
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	69.37	69.37
Add : Remeasurement gain on defined benefit obligations	-	-	-	60.25	-	-	60.25
Less: Income tax charge / Reversal on above	-	-	-	(15.16)	(4.61)	(17.46)	(37.23)
Balance as at March 31, 2021	(129,593.01)	670.58	24,755.54	125,029.20	(507.91)	559.93	20,914.33
Add: Loss for the year ended March 31, 2021	-	-	-	(4,145.76)	-	-	(4,145.76)
Less: Final Dividend paid	-	-	-	(892.68)	-	-	(892.68)
Add: Additions during the year on account of rights issue	-	27,899.34	-	-	-	-	27,899.34
Less : Right issue expenses	-	(180.47)	-	-	-	-	(180.47)
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	-	-	-	(7.92)	-	(7.92)
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	(136.20)	(136.20)
Add : Remeasurement gain on defined benefit obligations	-	-	-	56.27	-	-	56.27
Less: Income tax charge / Reversal on above	-	-	-	(14.16)	2.52	29.78	18.14
Balance as at March 31, 2022	(129,593.01)	28,389.45	24,755.54	120,032.87	(513.31)	453.51	43,525.04

*The realized gains / losses arising out of financial instruments, earlier classified as Fair Value Through Other Comprehensive Income (FVTOCI), has been transferred to Retained earnings.

Notes to the standalone financial statements for the year ended March 31, 2022

Description of nature and purpose of reserves:

(i) Capital reserve:

Excess of net assets acquired over consideration paid / payable.

(ii) Securities premium:

This reserve represent the premium on issue of shares and can be utilised in accordance with the provision of the Companies Act, 2013.

(iii) Retained earnings:

This reserve represents the surplus of the statement of profit and loss. The amount can be distributed by the company as dividends to its equity shareholders and is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

(iv) Reserve for equity instruments measured at fair value through other comprehensive income (FVTOCI):

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity.

(v) Cash Flow hedge reserve

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss

(vi) Remeasurement gain / (loss) on defined benefit obligations:

The company has recognised remeasurement loss on defined benefit plans in other comprehensive income (OCI). These changes are accumulated within the OCI reserve within Other equity. The company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
19 Borrowings (Non Current)		
Secured		
Term loans*		
- from banks and financial institutions	13,443.76	23,180.34
other loans	15.36	458.74
Total	13,459.12	23,639.08

*For nature of security and terms of repayment of borrowings refer note 47.

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
19A Borrowings (Current)		
Secured*		
Loans from banks repayable on demand		
- Working capital demand loan	2,000.00	2,000.00
- Buyers credit from banks		628.74
Current maturities of long-term debts		
- from banks and financial institutions	2,942.00	5,821.56
- other loans	443.38	261.42
Unsecured		
Loans from related parties (Refer Note 39)		
- Inter-corporate deposits	57,731.07	54,815.40
Loans from other parties	150.00	264.98
Total	63,266.45	63,792.10
*For nature of security and terms of repayment of borrowings Refer Note 47.		
20 Provisions (Non-Current)		
Provision for employee benefits (Refer note 44)		
- Compensated absences	615.18	681.45
Total	615.18	681.45
20A Provisions (Current)		
Provision for employee benefits (Refer note 44)		
- Compensated absences	79.06	76.73
Total	79.06	76.73
21 Deferred income (Non Current)		
Income received in advance	61.44	304.82
Total	61.44	304.82
21A Deferred income (Current)		
Income received in advance	1,850.32	2,889.65
Advance from Customer	457.72	772.18
Total	2,308.03	3,661.83
22 Trade Payables (Current)		
Total outstanding dues of micro enterprises and small enterprises*	113.76	81.00
Total outstanding dues of creditors :		
- Other than micro enterprises and small enterprises	11,121.55	20,220.68
- Related parties	1,009.52	840.18
Total	12,244.83	21,141.86

Notes to the standalone financial statements for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due of payments				Total
		Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
As at March 31, 2022						
MSME	-	-	-	-	-	-
Disputed	-	113.76	-	-	-	113.76
Undisputed	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
Undisputed	7,161.13	4,122.85	326.85	132.28	387.96	12,131.07
Total	7,161.13	4,236.61	326.85	132.28	387.96	12,244.83
As at March 31, 2021						
MSME	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
Undisputed	-	77.48	0.02	1.33	2.17	81.00
Others	-	-	-	-	-	-
Disputed	-	691.59	3,647.61	3,270.00	1,350.00	8,959.20
Undisputed	6,443.22	4,962.74	-	73.49	622.21	12,101.66
Total	6,443.22	5,731.81	3,647.63	3,344.82	1,974.38	21,141.86

*Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came in to force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the Management, the following disclosures are made for the amounts due to Micro and Small enterprises:

Particulars	As At March 31, 2022	As At March 31, 2021
The amount remaining unpaid to micro and small suppliers as at the end of the year :		
- Principal	112.11	74.23
- Interest	1.65	6.77
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	8.42	6.77
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

23 Derivatives liabilities (Current)

Particulars	As At March 31, 2022	As At March 31, 2021
Forward exchange contracts	43.42	-
Total	43.42	-

Notes to the standalone financial statements for the year ended March 31, 2022

Particulars	As At March 31, 2022	As At March 31, 2021
24 Other financial liabilities (Current)		
Interest accrued but not due on borrowings	157.38	294.60
Payable on purchase of property, plant and equipments other than micro enterprises and small enterprises	4,043.26	1,647.80
Book overdraft	-	13,327.75
Salary payable	1,196.88	1,489.01
Unclaimed dividend*	141.41	61.41
Total	5,538.93	16,820.57
* There are no amounts due and outstanding to be credited to investor education and protection fund.		
25 Other current liabilities		
Statutory dues payable	574.87	549.49
Total	574.87	549.49

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
26 Revenue from operations		
Sale of products		
Sale of Traded Goods	6,950.65	-
Sale of services		
Subscription - direct / cable operators	42,924.38	46,820.35
Installation charges	2,457.57	6,067.60
Channel placement fees	9,601.19	7,281.04
LCN Incentive	4,113.80	3,435.33
Lease income - optic fibre cable (Refer note 40(b))	-	1,708.21
Sale of set top boxes (net)	2,374.72	2,499.97
Other operating income		
Technical advisory fees	534.92	351.76
Commission income	3.60	18.30
Advertisement income	5.46	10.73
Other lease income	-	80.67
Assignment of movie rights	1,205.25	1,200.00
Total	70,171.54	69,473.96

While the Company believes strongly that it has a rich portfolio of services, the impact on future revenue streams could come from resource constraints or their services no-longer being availed by their customers due to prolonged lock-down situations and the customers postponing their discretionary spends due to change in priorities.

The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

The Company earns installation revenue on activation of set-top boxes ('STB') at customer premises, thus money is collected on or before installation of STB. In case of subscription income, the Company largely operates on limited customer base / geographies where the credit limit is less than a year. Also, channel placement / carriage income and LCN income from broadcasters have similar credit risks.

Notes to the standalone financial statements for the year ended March 31, 2022

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

Subscription revenue	March 31, 2022	March 31, 2021
Contracted price	43,321.73	47,050.35
Add: Allocation of transaction price from bundled contracts	-	-
Add: Deferred revenue adjustments	236.14	294.68
Less: Unbilled revenue adjustments	-	-
Discounts to LCO's	(633.49)	(524.68)
Revenues recognised as per the Statement of profit and loss	42,924.38	46,820.35
Installation revenue		
Contracted price	1,143.94	2,047.74
Less: Allocation of transaction price to subscription revenue for bundled contracts		
Add: Adjustment for deferral for installation revenue	1,313.63	4,019.86
Revenues recognised as per the Statement of profit and loss	2,457.57	6,067.60
Channel placement fees		
Contracted price	9,702.44	7,348.42
Add: Adjustment for deferral for channel placement revenue	(101.25)	(67.38)
Revenues recognised as per the Statement of profit and loss	9,601.19	7,281.04

The table below discloses the movement in contract assets during the year:

	Advance billing	Advance from customer
Balance as at 31 March 2020	7,768.00	524.00
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(6,149.20)	(524.00)
Add: invoices raised for which no revenue is recognised during the year	1,576.07	772.18
Balance as at 31 March 2021	3,194.47	772.18
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(2,908.20)	(772.18)
Add: invoices raised for which no revenue is recognised during the year	1,625.49	457.72
Balance as at 31 March 2022	1,911.76	457.72

The table below discloses the movement in contract assets during the year:

	Unbilled receivables
Balance as at 31 March 2020	534.00
Less: Invoices issued in the current year that was included in contract assets in the beginning of the year	(534.00)
Add: Revenue recognised in the current year for which no invoice is raised in the current year	785.63
Balance as at 31 March 2021	785.63
Less: Invoices issued in the current year that was included in contract assets in the beginning of the year	(785.63)
Add: Revenue recognised in the current year for which no invoice is raised in the current year	982.41
Balance as at 31 March 2022	982.41

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
27 Other income		
Interest income on :-		
- income tax refund	1.75	46.58
- deposits with bank	156.58	50.01
- other deposits	1.63	148.82
Dividend income		
- from quoted equity investments measured at FVTPL/ FVTOCI	2.11	3.54
Lease income	2,096.74	319.68
Sundry credit balances no longer required written back	2,866.62	285.61
Gain on sale of Property, Plant and Equipment	921.28	-
Net gain arising on financial assets measured at FVTPL	7.19	32.31
Unwinding of security deposits	40.22	18.05
Bad debts recovered	7.29	301.01
Sale of scrap	52.00	19.91
Miscellaneous income	54.79	40.12
Total	6,208.21	1,265.64
28 Changes in inventories		
Opening stock		
Land	3,719.32	3,719.47
Network cable, equipments and traded goods	418.20	349.74
Media inventory	184.76	118.00
Total	4,322.28	4,187.21
Less : Closing stock		
Land	(1,201.80)	(3,719.32)
Network cable, equipments and traded goods	(631.09)	(418.20)
Media inventory	(158.76)	(184.76)
	(1,991.65)	(4,322.28)
Total	2,330.63	(135.07)
29 Operating expenses		
Subscription - pay channels	34,264.71	33,491.43
Lease rental - duct	30.19	2,279.33
Bandwidth charges	193.34	174.28
Link charges	126.00	126.00
Installation expenses	1.06	-
Total	34,615.30	36,071.04
30 Employee benefits expense		
Salaries, wages and bonus	4,827.87	5,192.46
Contribution to provident and other funds (Refer note 44)	320.16	303.54
Gratuity expense (Refer note 44)	58.58	115.35
Staff welfare expenses	134.07	76.43
Total	5,340.68	5,687.78

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
31 Finance costs		
Interest on :		
- term loans	2,145.69	3,192.43
- other loans	421.90	1,783.73
- inter corporate deposits	6,853.16	6,233.56
- delayed payment of taxes	122.51	19.31
- lease liabilities (Refer note 40)	1,995.24	1,217.03
Other borrowing costs :-		
- Amortisation of processing fees	270.19	349.05
Total	11,808.70	12,795.11
32 Depreciation and amortisation expense		
Property, plant and equipment (Refer note 2)	10,446.56	13,297.48
Right to use assets (Refer note 4)	5,124.61	2,809.87
Other intangible assets (Refer note 5)	2,017.38	1,745.40
Total	17,588.55	17,852.75
33 Other expenses		
Contract Services	3,290.38	3,605.85
Commission expenses	1,552.06	1,654.73
Repairs		
- machinery	949.40	917.04
- building and others	402.04	241.19
Rent (Refer note 40(a)(iii))	447.71	416.27
Power and fuel	899.48	789.88
Legal and professional fees	1,015.44	1,061.67
Royalty	393.19	371.87
Travelling and conveyance	364.82	202.97
Call centre charges	284.09	292.17
Communication expenses	371.79	353.41
Bank charges	285.74	588.27
Business promotion	210.85	183.08
Security charges	176.09	159.26
Software charges	379.77	314.95
Insurance	202.53	188.98
Rates and taxes	158.33	334.50
Foreign currency fluctuations (net)	973.75	347.62
Payment to cost auditor	-	0.58
Auditor's remuneration		
Payment to statutory auditor*	35.05	41.00
Fair valuation of derivatives	-	(1.77)
Provision for doubtful debts	1,533.78	84.24
Printing and stationery	11.69	16.81
Freight and transportation charges (net)	71.56	42.50
Directors' fees#	111.50	74.00
Amortisation of security deposit	44.30	15.88
Advances and deposits written off	259.75	416.25
Bad debts	134.48	307.06
Miscellaneous expenses	126.55	173.37
Total	14,686.11	13,193.63
* Payment to Statutory Auditor		
Audit and Limited review fee**	35.00	41.00
Reimbursement of expenses	0.05	-

**Above excludes fees of ₹ 35 lakhs paid to auditors of the Company for certification services for Rights Issue, which is considered as part of share issue expenses

Above excludes fees of ₹ 12 lakhs paid to the directors of the Company in respect to the meeting held for rights issue, which is considered as a part of share issue expenses

Notes to the standalone financial statements for the year ended March 31, 2022

34 Earnings per share ('EPS')

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) after tax from continuing operations (₹ in Lakh) (Including right issue expenses)	(4,139.04)	(5,496.05)
Profit/(Loss) after tax from discontinued operations (₹ in Lakh)	(6.72)	245.90
Profit/(Loss) after tax from continuing and discontinued operations (₹ in Lakh)	(4,145.76)	(5,250.15)
Weighted average number of shares outstanding during the year for basic EPS (Nos.)	28,728,306	24,051,158
Weighted average number of shares outstanding during the year for diluted EPS (Nos.)	28,728,306	24,051,158
Earnings per equity share (for continuing operation) (Face value - ₹ 10 per share)		
Basic (₹)	(15.04)	(20.94)
Diluted (₹)	(15.04)	(20.94)
Earnings per equity share (for discontinued operation) (Face value - ₹ 10 per share)		
Basic (₹)	(0.02)	0.94
Diluted (₹)	(0.02)	0.94
Earnings per equity share (for total operations) (Face value - ₹ 10 per share)		
Basic (₹)	(15.06)	(20.00)
Diluted (₹)	(15.06)	(20.00)

35 Tax expense

(a) Amounts recognised in profit and loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(₹ in Lakh)		
Continuing operation:		
Current income tax	-	-
Deferred tax charge / (credit)	(6,402.62)	(9,673.74)
Discontinuing operation:		
Current income tax	-	-
Deferred tax charge / (credit)	(2.26)	71.27
Short provision for tax relating to prior years		
Tax expense / (credit) for the year	(6,404.88)	(9,602.47)

(b) Amounts recognised in other comprehensive income (OCI)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(₹ in Lakh)		
Continuing operation:		
Current income tax (OCI)	-	-
Deferred Tax	(15.62)	32.62
Discontinuing operation:		
Current income tax (OCI)	-	-
Deferred Tax	2.52	4.61
Tax expense / (credit) for the year	(13.10)	37.23

Notes to the standalone financial statements for the year ended March 31, 2022

(c) Reconciliation of effective tax rate

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Loss before tax	(10,550.64)	(14,852.62)
Tax using the Company's domestic tax rate (Current year and Previous year : 25.168%)	(2,655.38)	(3,738.11)
Tax effect of:		
Expenses disallowed for tax purpose	-	-
LTCG (OCI) adjusted against CYBL	-	-
Effect of Change in Rate	-	-
Deferred Tax on OCI Transfer to Profit & Loss	-	(545.73)
DTA created on earlier year timing differences	-	-
DTA created on Earlier year losses	(4,877.67)	(5,948.58)
DTA Not created on Current year losses	-	573.98
Others	1,219.73	55.97
Short provision for tax relating to prior years	-	-
Income tax expense / (Reversal)	(6,313.32)	(9,602.47)

(d) The major components of deferred tax (liabilities) / assets arising on account of temporary differences are as follows:

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax assets:		
Liabilities to be deducted for tax purposes when paid	193.33	190.82
Derivative Liability	17.17	-
Deferment of installation revenue & Straight lining of subscription expenses	109.38	998.33
Amalgamation Expenses	66.97	46.35
Expected credit loss on trade receivable	470.06	113.15
Gain / (Loss) on equity instrument designated as FVTPL	108.90	117.36
DTA on Brought forward Losses	26,529.09	19,392.32
Ind AS 116	374.83	615.60
	27,869.72	21,473.92
Deferred tax liabilities:		
Excess of depreciation allowable as per income-tax laws over depreciation as per books	3,224.85	3,172.30
Gain / (Loss) on equity instrument designated as FVOCI	2.08	4.61
Cash Flow Hedge Reserve	(12.32)	17.46
Derivative Assets	-	2.09
Unamortised borrowing cost	56.00	101.38
	3,270.62	3,297.84
Net deferred tax assets/ (liabilities)	24,599.11	18,176.08

Notes to the standalone financial statements for the year ended March 31, 2022

36 Movement in deferred tax asset / (liabilities)

Particulars	As at April 01, 2021	During the year 2021-22			As at March 31, 2022
		Recognised in Retained Earnings	Recognised in profit or loss	Recognised in other comprehensive income	
Deferred tax asset / (liabilities)					
Liabilities to be deducted for tax purposes when paid	190.82	-	16.68	(14.16)	193.34
Ind AS 116	615.60	-	(240.77)	-	374.83
Property Plant and Equipments	(3,172.30)	-	(52.55)	-	(3,224.85)
DTA on Brought forward Losses and Loss for the year	19,392.32	-	7,136.77	-	26,529.09
Amalgamation Expenses	46.35	-	20.62	-	66.97
Deferment of installation revenue & Straight-lining of subscription expenses	998.33	-	(888.95)	-	109.38
Expected credit loss on trade receivable	113.15	-	356.91	-	470.06
Derivative Assets	(2.07)	-	19.23	-	17.17
Gain / (Loss) on equity instrument designated as FVTPL	117.35	-	(8.46)	-	108.90
Gain / (Loss) on equity instrument designated as FVOCI	(4.62)	-	-	2.52	(2.09)
Cash flow hedge reserve	(17.46)	-	-	29.78	12.32
Unamortised borrowing cost	(101.38)	-	45.39	-	(55.99)
Net deferred tax asset /(liabilities)	18,176.09	-	6,404.88	18.14	24,599.11

Note: During the year, based on revised projections of business operations for the financial year 2022-2023, the Company has recognised ₹ 4,310.00 lakhs as additional deferred tax asset on unabsorbed business losses to the extent it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits will be utilised.

Particulars	As at April 01, 2020	During the year 2020-21			As at March 31, 2021
		Recognised in Retained Earnings	Recognised in profit or loss	Recognised in other comprehensive income	
Deferred tax asset / (liabilities)					
Liabilities to be deducted for tax purposes when paid	172.69	-	33.30	(15.16)	190.82
Ind AS 116	117.55	-	498.05	-	615.60
Property Plant and Equipments	(3,445.02)	-	272.72	-	(3,172.30)
DTA on Brought forward Losses	10,623.54	-	8,768.78	-	19,392.32
Amalgamation Expenses	49.16	-	(2.81)	-	46.35
Deferment of installation revenue & Straight-lining of subscription expenses	2,087.41	-	(1,089.08)	-	998.33
Expected credit loss on trade receivable	62.96	-	50.19	-	113.15
Derivative Assets	(524.92)	-	522.85	-	(2.07)
Gain / (Loss) on equity instrument designated as FVTPL	193.50	-	(76.15)	-	117.35
Gain / (Loss) on equity instrument designated as FVOCI	(545.74)	-	545.73	(4.61)	(4.62)
Cash flow hedge reserve	-	-	-	(17.46)	(17.46)

Notes to the standalone financial statements for the year ended March 31, 2022

Unamortised borrowing cost	(180.28)	-	78.90	-	(101.38)
Net deferred tax asset / (liabilities)	8,610.85	-	9,602.47	(37.23)	18,176.09

Note: Deferred tax liabilities reversed / (created) during the year in profit or loss and other comprehensive income amounting to ₹ (2.26) and ₹ 2.52 lakhs respectively pertains to discontinued operations (Refer note 46)

37 Litigations and claims

As a part of its real estate activity, the Company had acquired approximately 47 acres of land in Devanahalli Bengaluru from a party in terms of Agreement of Sale Deed dated 28.07.1995. However, as the said party, though in receipt of sale consideration did not fulfil its legal obligation to transfer the title in the name of the Company, the Company filed a suit for specific performance in the Civil Court in 2011. An order granting temporary injunction was passed on 11.03.2013 restraining the said party from alienating or in any way encumbering the land in Devanahalli. A criminal complaint was also filed at the Devanahalli Court on 10.11.2014 and subsequently, the Hon'ble High Court of Karnataka vide order dated 19.07.2019 has quashed the criminal complaint filed before the Court at Devanahalli and the proceedings is disposed of as such. The suit for Specific Performance in the Civil Court is pending. The Department of Revenue, Government of Karnataka, has also raised certain issues relating to the title of the land which are being addressed by the Company.

38 Details of traded goods under broad heads

(₹ in Lakh)

Traded goods	Opening stock (A)	Purchases (B)	Sales / Consumption (C)	Closing stock (D)
Stock of network cable and equipments	418.20 (349.74)	212.89 (68.46)	- -	631.09 (418.20)
Media inventory	184.76 (118.00)	158.76 (66.76)	184.76 -	158.76 (184.76)
Land	3,719.32 (3,719.32)	- -	2,517.52 -	1,201.80 (3,719.32)

Note: Figures in brackets are in relation to previous year.

39 Related Party and their relationships

I. Individual having control:

- 1 Mr. Ashok P. Hinduja, Non-Executive Chairman
- 2 Mrs. Harsha A. Hinduja

II. Relatives of Individuals identified in (I) above:

- 1 Ms. Ambika A. Hinduja
- 2 Ms. Satya A. Hinduja
- 3 Mr. Shom A. Hinduja
- 4 Mr. Srichand P. Hinduja
- 5 Mr. Gopichand P. Hinduja
- 6 Mr. Prakash P. Hinduja

III. Subsidiaries

A) Direct Subsidiary

- 1 IndusInd Media & Communications Limited
- 2 ONEOTT Intertainment Limited

B) Indirect Subsidiaries

- 1 Ajanta Sky Darshan Private Limited
- 2 Apna Incable Broadband Services Private Limited
- 3 Bhima Riddhi Infotainment Private Limited
- 4 Darpita Trading Company Private Limited

Notes to the standalone financial statements for the year ended March 31, 2022

- 5 Gold Star Noida Network Private Limited
- 6 Goldstar Infotainment Private Limited
- 7 IN Entertainment (India) Limited
- 8 One Mahanet Intertainment Private Limited
- 9 RBL Digital Cable Network Private Limited
- 10 Sainath In Entertainment Private Limited
- 11 Sangli Media Services Private Limited
- 12 Sunny Infotainment Private Limited
- 13 United Mysore Network Private Limited
- 14 USN Networks Private Limited
- 15 Vinsat Digital Private Limited
- 16 Vistaar Telecommunication and Infrastructure Private Limited

IV. Key Management Personnel

- 1 Mr. Ashok Mansukhani, Managing Director (till September 30, 2020)
- 2 Mr. Vynsley Fernandes, Managing Director (w.e.f. February 26, 2021),
Chief Executive Officer (w.e.f. August 1, 2020) and Manager (w.e.f. September 30, 2020 till February 26, 2021))
- 3 Mr. Amar Chintopanth, Chief Financial Officer and Whole Time Director (w.e.f. September 4, 2020)
- 4 Mr. Hasmukh Shah, Company Secretary and Compliance Officer (till January 18, 2021)
- 5 Mr. Ashish Pandey, Company Secretary (w.e.f. January 28, 2021) and Compliance Officer (w.e.f. January 18, 2021)

Non-Executive Directors [Section 2(76)(i)]:

- 1 Mr. Anil Harish : Independent Director
- 2 Mr. Prashant Asher : Independent Director
- 3 Ms. Bhumika Batra : Independent Director
- 4 Mr. Sudhanshu Tripathi : Non-Executive Director
- 5 Mr. Munesh Khanna : Independent Director

V. Enterprises where common control exists

1. Hinduja Group Limited
2. Hinduja Global Solutions Limited
3. Siddharth Textiles Private Limited
4. Aasia Advisory Services Limited
6. The British Metal Corporation India Private Limited
7. Hinduja Realty Ventures Limited
9. Aasia Corporation LLP
10. Hinduja Estate Developers
11. APDL Estates Limited (Upto 31.08.2021)
12. Hinduja Properties Limited
13. Hinduja E-ways Private Limited
14. Hinduja Healthcare Limited
15. Hinduja Estate Private Limited
16. Ashok Plywood Trading Company LLP
17. Aasia Exports
18. HGS International, Mauritius
19. HGS International Services Private Limited
20. Hinduja Global Solutions Inc., U S A
21. HGS Canada Inc., Canada

Notes to the standalone financial statements for the year ended March 31, 2022

22. C-Cubed B.V, Netherlands
23. C-Cubed B.V, Curacao
24. Customer Contact Centre Inc., Philippines
25. Hinduja Global Solutions Europe Limited, U K
26. Hinduja Global Solutions UK Limited, U K
27. HGS France, S.A.R.L
28. HGS (USA), LLC
29. HGS Healthcare (previously RMT LLC., U S A)
30. Affina Company, Canada
31. HGA St. Lucia Ltd., Saint Lucia
32. Team HGS Limited, Jamaica
33. HGS Properties LLC, U S A
34. HGS Canada Holdings LLC, U S A
35. HGS Italy, S.A.R.L
36. HGS EBOS LLC, U S A
37. HGS Mena FZ LLC, U S A
38. HGS Colibrium Inc
39. HGS Extensya Holdings Limited
40. Extensya Investment Holdings Limited
41. HGS Extensya Cayman Limited
42. Aasia Imports and Exports Private Limited
43. IndusInd Information Technology Limited
44. Juhu Beach Resorts Limited
45. Hinduja Finance Limited
46. Aasia Enterprises LLP
47. Tabula Rasa Music LLP
48. Cyqure India Pvt Ltd (100% owned by Aasia Enterprises LLP)
49. Ashok Leyland Defence Systems Ltd (being the subsidiary of Aasia Enterprises LLP)
50. Impeccable Imagination LLP (Previously known as Impeccable Imagination Private Limited)
51. Cyqurex Systems Private Limited

VI. Firm/Company in which Director/Chief Executive Officer is a partner/shareholder

1. D M Harish & Co. (Firm in which Mr. Anil Harish is a Partner)
2. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra and Mr. Prashant Asher are partners)
3. Castle Media Private Limited (Company in which Mr. Vynsley Fernandes is a shareholder)
4. Spyke Technologies Private Limited (Company in which Mr. Vynsley Fernandes is a shareholder)
5. Aasia Enterprises LLP
6. Backbay Advisors LLP (Firm in which Mr. Munesh Khanna is a Partner)

Notes to the standalone financial statements for the year ended March 31, 2022

The following details pertain to transactions carried out with the related parties in the ordinary course of business and balances outstanding at the year-end:

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
Subscription Income					
Sangli Media Services Private Limited	-	14.38	-	-	14.38
	-	(10.94)	-	-	(10.94)
Bhima Riddhi Infotainment Private Limited	-	2.66	-	-	2.66
	-	(8.29)	-	-	(8.29)
Total	-	17.04	-	-	17.04
	-	(19.23)	-	-	(19.23)
Installation Income					
Bhima Riddhi Infotainment Private Limited	-	249.15	-	-	249.15
	-	(155.51)	-	-	(155.51)
Vinsat Digital Private Limited	-	-	-	-	-
	-	(31.05)	-	-	(31.05)
Total	-	249.15	-	-	249.15
	-	(186.56)	-	-	(186.56)
Link Charges					
Sainath In Entertainment Private Limited	-	162.02	-	-	162.02
	-	(170.61)	-	-	(170.61)
Total	-	162.02	-	-	162.02
	-	(170.61)	-	-	(170.61)
Channel placement income					
In Entertainment (India) Limited	-	120.00	-	-	120.00
	-	(225.00)	-	-	(225.00)
Total	-	120.00	-	-	120.00
	-	(225.00)	-	-	(225.00)
Service charges recovered					
Hinduja Global Solutions Limited	-	-	-	-	-
	-	-	-	(0.01)	(0.01)
Total	-	-	-	(0.01)	(0.01)
	-	-	-	(0.01)	(0.01)
Interest Income					
Vinsat Digital Private Limited	-	0.03	-	-	0.03
	-	-	-	-	-
IndusInd Media & Communications Limited	-	-	-	-	-
	-	(3.47)	-	-	(3.47)
IN Entertainment (India) Limited	-	1.60	-	-	1.60
	-	(104.58)	-	-	(104.58)
ONEOTT Intertainment Limited	-	-	-	-	-
	-	(42.39)	-	-	(42.39)
Total	-	1.63	-	-	1.63
	-	(150.44)	-	-	(150.44)
Lease Income - OFC					
ONEOTT Intertainment Limited	-	1,736.00	-	-	1,736.00
	-	(1,923.27)	-	-	(1,923.27)
Vinsat Digital Private Limited	-	148.30	-	-	148.30
	-	-	-	-	-
Total	-	1,884.30	-	-	1,884.30
	-	(1,923.27)	-	-	(1,923.27)
Misc. income					
Spyke Technologies Pvt Limited	-	-	-	-	-
	-	-	(12.90)	-	(12.90)

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
Total	-	-	(12.90)	-	(12.90)
Reimbursement of Expenses from Other Companies					
IndusInd Media & Communications Limited	-	547.27	-	-	547.27
	-	(1,017.32)	-	-	(1,017.32)
Total	-	547.27	-	-	547.27
	-	(1,017.32)	-	-	(1,017.32)
Reimbursement of Expenses to Other Companies					
ONEOTT Entertainment Limited	-	26.95	-	-	26.95
	-	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	(9.00)	(9.00)
	-	-	-	-	-
IndusInd Media & Communications Limited	-	613.92	-	-	613.92
	-	(3,237.61)	-	-	(3,237.61)
Darpita Trading Company Private Limited	-	25.70	-	-	25.70
	-	-	-	-	-
United Mysore Network Private Limited	-	55.49	-	-	55.49
	-	-	-	-	-
Total	-	722.06	-	-	722.06
	-	(3,237.61)	-	(9.00)	(3,246.61)
Lease rent duct					
ONEOTT Entertainment Limited	-	6.61	-	-	6.61
	-	(19.03)	-	-	(19.03)
Internet Expenses					
ONEOTT Entertainment Limited	-	74.29	-	-	74.29
	-	(22.49)	-	-	(22.49)
Software Charges					
Cyqurex Systems Private Limited	-	-	-	54.38	54.38
	-	-	-	-	-
Professional Fees					
Hinduja Group Limited	-	-	-	250.22	250.22
	-	-	-	(519.13)	(519.13)
Hinduja Global Solutions Limited	-	-	-	63.88	63.88
	-	-	-	(46.16)	(46.16)
Spyke Technologies Pvt Limited	-	-	108.21	-	108.21
	-	-	-	-	-
Castle Media Private Limited	-	-	828.18	-	828.18
	-	-	(904.90)	-	(904.90)
Total	-	-	936.40	314.10	1,250.50
	-	-	(904.90)	(565.30)	(1,470.19)
Legal Charges					
Crawford Bayley & Co.	-	-	27.00	-	27.00
	-	-	(18.00)	-	(18.00)
Travel Expenses					
Prakash Shah	-	-	-	-	-
	-	-	(1.00)	-	(1.00)
Spyke Technologies Pvt Limited	-	-	17.64	-	17.64
	-	-	(0.00)	-	(0.00)
Total	-	-	17.64	-	17.64
	-	-	(1.00)	-	(1.00)
Rent					

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
Hinduja Group Limited	-	-	-	83.04 (83.04)	83.04 (83.04)
IndusInd Media & Communications Limited	-	232.96 (134.88)	-	-	232.96 (134.88)
Total	-	232.96 (134.88)	-	83.04 (83.04)	316.00 (217.92)
Director Sitting Fees					
Mr. Ashok P. Hinduja	6.00 (4.00)	-	-	-	6.00 (4.00)
Mr. Anil Harish	-	-	17.50 (19.00)	-	17.50 (19.00)
Munnesh Khanna	-	-	26.50	-	26.50
Mr. Prashant Asher	-	-	9.50 (14.00)	-	9.50 (14.00)
Ms. Bhumika Batra	-	-	33.00 (18.00)	-	33.00 (18.00)
Mr. Sudhanshu Tripathi	-	-	31.00 (19.00)	-	31.00 (19.00)
Total	6.00 (4.00)	-	117.50 (70.00)	-	123.50 (74.00)
Business promotion					
Hinduja Global Solutions Limited	-	-	-	2.55	2.55
IN Entertainment (India) Limited	-	2.64 (18.71)	-	-	2.64 (18.71)
Total	-	2.64 (18.71)	-	2.55	5.19 (18.71)
Maintenance expense					
IN Entertainment (India) Limited	-	12.41 (2.12)	-	-	12.41 (2.12)
Hinduja Realty Ventures Limited	-	9.00	-	-	9.00
ONEOTT Intertainment Limited	-	-	-	-	-
Spyke Technologies Pvt Limited	-	-	22.47 (43.60)	-	22.47 (43.60)
Cyqurex Systems Private Limited	-	-	-	8.70 (0.36)	8.70 (0.36)
Total	-	21.41 (3.02)	22.47 (43.60)	8.70 (0.36)	52.58 (46.98)
Royalty expense					
IN Entertainment (India) Limited	-	180.08 (42.75)	-	-	180.08 (42.75)
Staff Welfare expenses					
IN Entertainment (India) Limited	-	28.89 (1.34)	-	-	28.89 (1.67)
Freight Inward					
Spyke Technologies Pvt Limited	-	-	6.64 (0.27)	-	6.64 (0.27)
Freight Outward					
Spyke Technologies Pvt Limited	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
	-	-	(2.13)	-	(2.13)
Insurance Expense					
Spyke Technologies Pvt Limited	-	-	0.47	-	0.47
	-	-	(0.19)	-	(0.19)
Printing & Stationery					
IN Entertainment (India) Limited	-	-	-	-	-
	-	(0.26)	-	-	(0.26)
Miscellaneous Expenses					
ONEOTT Intertainment Limited	-	15.34	-	-	15.34
	-	-	-	-	-
IN Entertainment (India) Limited	-	0.33	-	-	0.33
	-	-	-	-	-
Interest Expense					
Hinduja Realty Ventures Limited	-	-	-	1,101.51	1,101.51
	-	-	-	(142.62)	(142.62)
Hinduja Energy India Limited	-	-	-	1.64	1.64
	-	-	-	-	-
IndusInd Media & Communications Limited	-	175.64	-	-	175.64
	-	(0.74)	-	-	(0.74)
IN Entertainment (India) Limited	-	123.16	-	-	123.16
	-	(125.91)	-	-	(125.91)
Hinduja Group Limited	-	-	-	2,754.70	2,754.70
	-	-	-	(2,660.27)	(2,660.27)
ONEOTT Intertainment Limited	-	377.43	-	-	377.43
	-	(70.98)	-	-	(70.98)
Onemahanet In Entertainment Pvt Limited	-	166.61	-	-	166.61
	-	-	-	-	-
Hinduja Global Solutions Limited	-	-	-	688.75	688.75
	-	-	-	(17.34)	(17.34)
Total	-	842.85	-	4,544.97	5,387.81
	-	(197.63)	-	(2,820.23)	(3,017.86)
Sale of Fixed Assets					
IN Entertainment (India) Limited	-	3,915.73	-	-	3,915.73
	-	-	-	-	-
IndusInd Media & Communications Limited	-	3,603.93	-	-	3,603.93
	-	(2,499.97)	-	-	(2,499.97)
Onemahanet Inentertainment Pvt Limited	-	1,414.64	-	-	1,414.64
	-	-	-	-	-
Total	-	8,934.30	-	-	8,934.30
	-	(2,499.97)	-	-	(2,499.97)
Purchase of Fixed Assets					
Spyke Technologies Pvt Limited	-	-	409.67	-	409.67
	-	-	(66.08)	-	(66.08)
Inventory					
IN Entertainment (India) Limited	-	32.89	-	-	32.89
	-	(11.17)	-	-	(11.17)
Spyke Technologies Pvt Limited	-	-	-	-	-
	-	-	(181.91)	-	(181.91)
Total	-	32.89	-	-	32.89

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
	-	(11.17)	(181.91)	-	(193.08)
Purchase of Optical Fibre Cable					
ONEOTT Intertainment Limited	-	(21.12)	-	-	(21.12)
Managerial Remuneration					
Mr. Ashok Mansukhani	-	-	(180.56)	-	(180.56)
Mr. Amar Chintopanth	-	-	197.61	-	197.61
Mr. Vynsley Fernandes	-	-	(177.13)	-	(177.13)
Mr. Vynsley Fernandes	-	-	400.06	-	400.06
Mr. Ashish Pandey	-	-	(440.42)	-	(440.42)
Mr. Ashish Pandey	-	-	38.95	-	38.95
Mr. Ashish Pandey	-	-	(6.54)	-	(6.54)
Mr. Hasmukh Shah	-	-	-	-	-
Mr. Hasmukh Shah	-	-	(35.24)	-	(35.24)
Total	-	-	636.61	-	636.61
	-	-	(839.89)	-	(839.89)
Dividend Paid					
Mr. Ashok P. Hinduja	26.55	-	-	-	26.55
Mr. Ashok P. Hinduja	(33.19)	-	-	-	(33.19)
Mrs. Harsha A. Hinduja	19.57	-	-	-	19.57
Mrs. Harsha A. Hinduja	(24.46)	-	-	-	(24.46)
Ms. Ambika A. Hinduja	7.09	-	-	-	7.09
Ms. Ambika A. Hinduja	(8.86)	-	-	-	(8.86)
Mr. Shom A. Hinduja	5.60	-	-	-	5.60
Mr. Shom A. Hinduja	(7.00)	-	-	-	(7.00)
Mr. Ashok Mansukhani	-	-	-	-	-
Mr. Ashok Mansukhani	-	-	(0.03)	-	(0.03)
Aasia Corporation LLP	-	-	-	56.04	56.04
Aasia Corporation LLP	-	-	-	(70.04)	(70.04)
Hinduja Group Limited	-	-	-	346.02	346.02
Hinduja Group Limited	-	-	-	(427.53)	(427.53)
Hinduja Properties Limited	-	-	-	8.51	8.51
Hinduja Properties Limited	-	-	-	(10.64)	(10.64)
Hinduja Finance Limited	-	-	-	-	-
Hinduja Finance Limited	-	-	-	(5.00)	(5.00)
Total	58.81	-	-	410.57	469.38
	(73.51)	-	(0.03)	(513.21)	(586.75)
Issuance of equity share capital (Rights Issue)					
Mr. Ashok P. Hinduja	835.84	-	-	-	835.84
Mr. Ashok P. Hinduja	-	-	-	-	-
Mrs. Harsha A. Hinduja	733.79	-	-	-	733.79
Mrs. Harsha A. Hinduja	-	-	-	-	-
Ms. Ambika A. Hinduja	265.86	-	-	-	265.86
Ms. Ambika A. Hinduja	-	-	-	-	-
Mr. Shom A. Hinduja	210.01	-	-	-	210.01
Mr. Shom A. Hinduja	-	-	-	-	-
Hinduja Group Limited	-	-	-	15,828.79	15,828.79
Hinduja Group Limited	-	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	2,551.16	2,551.16
Hinduja Realty Ventures Limited	-	-	-	-	-
Total	2,045.50	-	-	18,379.95	20,425.45
	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
Inter-Corporate Deposits Given					
IndusInd Media & Communications Limited	-	-	-	-	-
	-	(3,000.00)	-	-	(3,000.00)
IN Entertainment (India) Limited	-	865.00	-	-	865.00
	-	(301.00)	-	-	(301.00)
OneOTT Intertainment Limited	-	-	-	-	-
	-	(310.00)	-	-	(310.00)
Vinsat Digital Private Limited	-	-	-	120.60	120.60
	-	-	-	-	-
Total	-	865.00	-	120.60	985.60
	-	(3,611.00)	-	-	(3,611.00)
Inter-Corporate Deposits Received Back					
IndusInd Media & Communications Limited	-	-	-	-	-
	-	(3,000.00)	-	-	(3,000.00)
OneOTT Intertainment Limited	-	-	-	-	-
	-	(875.00)	-	-	(875.00)
Vinsat Digital Private Limited	-	-	-	120.60	120.60
	-	-	-	-	-
IN Entertainment (India) Limited	-	865.00	-	-	865.00
	-	(5,182.00)	-	-	(5,182.00)
Total	-	865.00	-	120.60	985.60
	-	(9,057.00)	-	-	(9,057.00)
Inter-Corporate Deposits Taken					
Hinduja Realty Ventures Limited	-	-	-	8,050.00	8,050.00
	-	-	-	(5,580.00)	(5,580.00)
IndusInd Media & Communications Limited	-	3,617.50	-	-	3,617.50
	-	(1,230.00)	-	-	(1,230.00)
IN Entertainment (India) Limited	-	5,240.00	-	-	5,240.00
	-	(1,976.00)	-	-	(1,976.00)
Hinduja Global Solutions Limited	-	-	-	9,000.00	9,000.00
	-	-	-	(9,950.00)	(9,950.00)
Onemahanet Inentertainment Pvt Limited	-	6,400.00	-	-	6,400.00
	-	-	-	-	-
ONEOTT Intertainment Limited	-	6,735.50	-	-	6,735.50
	-	(2,985.00)	-	-	(2,985.00)
Hinduja Group Limited	-	-	-	4,895.00	4,895.00
	-	-	-	(31,390.00)	(31,390.00)
Hinduja Energy India Limited	-	-	-	6,000.00	6,000.00
	-	-	-	-	-
Total	-	15,593.00	-	18,945.00	49,938.00
	-	(6,191.00)	-	(46,920.00)	(53,111.00)
Inter-Corporate Deposits Repaid					
Hinduja Realty Ventures Limited	-	-	-	8,691.16	8,691.16
	-	-	-	-	-
IndusInd Media & Communications Limited	-	2,946.50	-	-	2,946.50
	-	-	-	-	-
IN Entertainment (India) Limited	-	3,660.25	-	-	3,660.25
	-	(876.75)	-	-	(876.75)
Onemahanet Inentertainment Pvt Limited	-	1,670.00	-	-	1,670.00
	-	-	-	-	-
ONEOTT Intertainment Limited	-	500.00	-	-	500.00

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
	-	(288.50)	-	-	(288.50)
Hinduja Global Solutions Limited	-	-	-	9,950.00	9,950.00
	-	-	-	-	-
Hinduja Group Limited	-	-	-	20,488.79	20,488.79
	-	-	-	(7,900.00)	(7,900.00)
Total	-	8,776.75	-	39,129.95	47,906.70
	-	(1,165.25)	-	(7,900.00)	(9,065.25)
Inter Corporate Deposits Payable as at the Year-end					
IN Entertainment (India) Limited	-	2,679.00	-	-	2,679.00
	-	(1,099.25)	-	-	(1,099.25)
IndusInd Media & Communications Limited	-	1,901.00	-	-	1,901.00
	-	(1,227.47)	-	-	(1,227.47)
Hinduja Global Solutions Limited	-	-	-	9,000.00	9,000.00
	-	-	-	(9,966.04)	(9,966.04)
ONEOTT Intertainment Limited	-	8,932.00	-	-	8,932.00
	-	(2,696.50)	-	-	(2,696.50)
Onemahanet Intertainment Pvt Limited	-	4,730.00	-	-	4,730.00
	-	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	4,938.84	4,938.84
	-	-	-	(5,652.02)	(5,652.02)
Hinduja Group Limited	-	-	-	17,996.21	17,996.21
	-	-	-	(34,175.54)	(34,175.54)
Hinduja Energy India Limited	-	-	-	6,000.00	6,000.00
	-	-	-	-	-
Total	-	18,242.00	-	37,935.05	56,177.05
	-	(5,023.22)	-	(49,793.60)	(54,816.82)
Investments as at the Year-end					
Equity shares of IndusInd Media & Communications Limited	-	7,279.64	-	-	7,279.64
	-	(7,279.64)	-	-	(7,279.64)
Equity shares of OneOTT Intertainment Limited	-	27,199.49	-	-	27,199.49
	-	(27,199.49)	-	-	(27,199.49)
Preference shares of IN Entertainment (India) Limited	-	361.90	-	-	361.90
	-	(326.05)	-	-	(326.05)
Total	-	34,841.04	-	-	34,841.04
	-	(34,805.19)	-	-	(34,805.19)
Trade Receivables as at the Year-end					
IndusInd Media & Communications Limited	-	97.99	-	-	97.99
	-	(357.14)	-	-	(357.14)
IN Entertainment (India) Limited	-	-	-	-	-
	-	(110.77)	-	-	(110.77)
Vinsat Digital Private Limited	-	11.00	-	-	11.00
	-	(36.82)	-	-	(36.82)
Hinduja Healthcare Limited	-	-	-	-	-
	-	-	-	(0.65)	(0.65)
Spyke Technologies Pvt Limited	-	-	-	-	-
	-	-	(24.55)	-	(24.55)
Total	-	108.99	-	-	108.99
	-	(504.73)	(24.55)	(0.65)	(529.93)

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
Other Receivables as at the Year-end					
ONEOTT Intertainment Limited	-	-	-	-	-
	-	(164.81)	-	-	(164.81)
Advance to Related Parties as at the Year-end					
USN Networks Private Limited	-	0.41	-	-	0.41
	-	(0.14)	-	-	(0.14)
Gold star Noida Network Private Limited	-	1.01	-	-	1.01
	-	(0.14)	-	-	(0.14)
United Mysore Network Private Limited	-	55.67	-	-	55.67
	-	(0.17)	-	-	(0.17)
Apna Incable Broadband Services Private Limited	-	0.41	-	-	0.41
	-	(0.14)	-	-	(0.14)
Sangli Media Services Private Limited	-	-	-	-	-
	-	(0.17)	-	-	(0.17)
Bhima Riddhi Infotainment Private Limited	-	3.47	-	-	3.47
	-	(19.96)	-	-	(19.96)
Gold Star Infotainment Private Limited	-	0.41	-	-	0.41
	-	(0.14)	-	-	(0.14)
Ajanta Sky Darshan Private Limited	-	0.43	-	-	0.43
	-	(0.16)	-	-	(0.16)
Sunny Infotainment Private Limited	-	0.40	-	-	0.40
	-	(0.13)	-	-	(0.13)
Vistaar Telecommunication & Infrastructure Private Limited	-	0.45	-	-	0.45
	-	(0.18)	-	-	(0.18)
RBL Digital Cable Network Private Limited	-	0.43	-	-	0.43
	-	(0.16)	-	-	(0.16)
IN Entertainment (India) Limited	-	-	-	-	-
	-	(0.11)	-	-	(0.11)
ONEOTT Intertainment Limited	-	1,770.47	-	-	1,770.47
	-	-	-	-	-
Vinsat Digital Private Limited	-	-	-	-	-
	-	(4.99)	-	-	(4.99)
Total	-	1,833.56	-	-	1,833.56
	-	(26.59)	-	-	(26.59)
Trade Payables as at the Year-end					
Darpita Trading Company Private Limited	-	32.17	-	-	32.17
	-	(6.46)	-	-	(6.46)
Hinduja Group Limited	-	-	-	121.60	121.60
	-	-	-	(151.98)	(151.98)
Cyqurex Systems Private Limited	-	-	-	16.61	16.61
	-	-	-	(7.74)	(7.74)
IndusInd Media & Communications Limited	-	104.66	-	-	104.66
	-	(491.63)	-	-	(491.63)
ONEOTT Intertainment Limited	-	375.46	-	-	375.46
	-	(33.22)	-	-	(33.22)
IN Entertainment (India) Limited	-	112.13	-	-	112.13
	-	(5.54)	-	-	(5.54)

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Parties referred to in V above	Total
D M Harish & Co.	-	-	-	-	-
	-	-	(0.68)	-	(0.68)
Hinduja Global Solutions Limited	-	-	-	8.89	8.89
	-	-	-	(6.91)	(6.91)
Sangli Media Services Private Limited	-	0.17	-	-	0.17
	-	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	1.62	1.62
	-	-	-	-	-
Sainath In Entertainment Private Limited	-	2.65	-	-	2.65
	-	(12.70)	-	-	(12.70)
Spyke Technologies Pvt Limited	-	-	227.64	-	227.64
	-	-	(47.45)	-	(47.45)
Castle Media Private Limited	-	-	5.94	-	5.94
	-	-	(75.87)	-	(75.87)
Total	-	627.23	233.58	148.71	1,009.52
	-	(549.56)	(124.00)	(166.62)	(840.18)
Employee benefits payable as at the Year-end					
Mr. Vynsley Fernandes	-	-	174.46	-	174.46
	-	-	(237.82)	-	(237.82)
Mr. Ashish Pandey	-	-	10.46	-	10.46
	-	-	(9.43)	-	(9.43)
Mr. Amar Chintopanth	-	-	84.21	-	84.21
	-	-	(80.92)	-	(80.92)
Total	-	-	269.13	-	269.13
	-	-	(328.17)	-	(328.17)
Interest Payable as at the Year-end					
Hinduja Realty Ventures Limited	-	-	-	432.07	432.07
	-	-	-	-	-
Onemahanet Inentertainment Pvt Limited	-	150.36	-	-	150.36
	-	-	-	-	-
Hinduja Group Limited	-	-	-	966.57	966.57
	-	-	-	-	-
Hinduja Global Solutions Limited	-	-	-	3.53	3.53
	-	-	-	-	-
Hinduja Energy India Limited	-	-	-	1.48	1.48
	-	-	-	-	-
Total	-	150.36	-	1,403.65	1,554.01
	-	-	-	-	-
Comfort Letter / Shortfall / Non disposal Undertaking					
IndusInd Media & Communications Limited	-	-	-	-	-
	-	(131,900.00)	-	-	(131,900.00)
Total	-	-	-	-	-
	-	(131,900.00)	-	-	(131,900.00)

Notes :

- A. Figures in brackets () represent transactions in respect of previous year March 31, 2021 and balances are as on March 31, 2022 respectively.

Notes to the standalone financial statements for the year ended March 31, 2022

40 Leases

Operating lease

(a) Company as lessee

Outstanding lease liabilities are disclosed as below :

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Non-current	19,206.58	12,072.45
Current	4,036.03	2,527.06
	23,242.61	14,599.51

(i) Movement in Lease Liabilities:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	14,599.51	11,390.45
Add: Addition made during the year	14,699.40	4,796.64
Less: Deduction	(738.01)	-
Add: Finance cost accrued during the year	1,995.24	1,217.03
Less: Restatement of Lease Liabilities	(124.85)	(292.06)
Less: Payment of Lease Liabilities	(7,188.68)	(2,508.12)
Less: Early termination of Lease Liabilities	-	(4.43)
Closing Balance	23,242.61	14,599.51

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Payable within one year	4,036.03	2,527.06
Payable later than one year and not later than five years	18,537.40	8,395.01
Payable after five years	669.18	3,677.44

(iii) Lease payments recognised for short term leases in Statement of Profit and Loss during the year	447.71	416.27
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The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(b) Company as lessor

The Company has entered into a cancellable leasing arrangement with OneOTT Intertainment Limited, a group company, relating to lease of Dark Fibre Cable owned by the company extending upto a maximum of three years but this agreement is cancelled on 30th September, 2020. The Company has recognised ₹ Nil for the year ended March 31, 2022 [Previous year - ₹ 1708.21 lakh] which has been included in Note no 26 under 'Lease income - optic fibre cable'.

41 Segmental reporting

Primary segment information

Business Segment

The Company's primary business segments are reflected based on principal business activities carried on by the Company which are as follows:

- 1) Treasury & Investment activities (Discontinued) : It includes trading of shares which the Company carries out on its own account, advancing of intercorporate loans and advances and sub-broking activities for shares (Refer note 46)
- 2) Media & Entertainment activities include activities as multi-system operator (MSO), HITS operator and the commercial exploitation on Dark Fibre owned by the Company as a licensee under the Telecom regulations and also its strategic investments in a subsidiary operating as in Internet Service Provider (ISP).

Notes to the standalone financial statements for the year ended March 31, 2022

- 3) Others pertain to Real Estate activities which include real estate assets (Land) acquired for the purpose of development in future.

These segments are determined based on the internal organisation and management structure of the Company and its system of internal financial reporting and the nature of its risks and its returns. The Board of Directors of the Company has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Company's performance, allocate resources based on analysis of various performance indicators of the Company as disclosed for the above three segments.

Secondary Segment information

Geographical Segment

The Company's operations are based in India and therefore the Company has only one geographical segment - India and hence no separate information for geographic segment wise disclosure is required.

Segment accounting policies

Segment accounting policies are in line with accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- (i) Segment revenue includes income directly identifiable with the segments.
- (ii) Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocated corporate expenses".
- (iii) Income which relates to the Company as a whole and not allocable to segments are included in Unallocable Income and netted off from Unallocated corporate expenses.
- (iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Sr. no.	Particulars	Media and Communication		Others		Investments and Treasury (Discontinued) (Refer note 46)		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Segment revenue	63,241.29	69,473.96	6,930.25	-	(8.98)	317.17	70,162.56	69,791.13
	Add: Unallocated corporate revenue	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	70,162.56	69,791.13
2	Segment results	(3,054.87)	(2,310.00)	4,321.91	(64.68)	(8.98)	317.17	1,258.06	(2,057.50)
	Less: Interest expense	-	-	-	-	-	-	(11,808.70)	(12,795.11)
	Less: Unallocated corporate expenses	-	-	-	-	-	-	-	-
	Total Profit / (Loss) before tax	-	-	-	-	-	-	(10,550.64)	(14,852.61)
3	Capital employed								
	Segment assets	133,777.75	142,440.48	1,201.80	3,719.32	526.17	543.07	135,505.72	146,702.87
	Add: Unallocated corporate assets	-	-	-	-	-	-	32,820.44	21,884.02
	Total assets	-	-	-	-	-	-	168,326.16	168,586.89
	Segment liabilities	121,292.54	145,206.03	-	-	-	-	121,292.54	145,206.03
	Add: Unallocated corporate liabilities	-	-	-	-	-	-	141.41	61.41
	Total liabilities	-	-	-	-	-	-	121,433.95	145,267.44
	Segment capital employed	12,485.21	(2,765.55)	1,201.80	3,719.32	526.17	543.07	14,213.18	1,496.84
	Add: Unallocated capital employed	-	-	-	-	-	-	32,679.03	21,822.61
	Total capital employed	-	-	-	-	-	-	46,892.21	23,319.45

Notes to the standalone financial statements for the year ended March 31, 2022

42 Financial instruments

(i) Categories of financial instruments and fair value hierarchy

Details as at March 31, 2022 are as follows:

(₹ in Lakh)

Particulars	Amortised cost#	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Assets						
Cash and cash equivalents	696.76	-	-	-	696.76	
Other bank balances	300.14	-	-	-	300.14	
Trade receivables	4,819.50	-	-	-	4,819.50	
Investments (Quoted instruments)	34,479.15	-	87.21	516.87	35,083.23	Level 1
Investments (Unquoted instruments)	-	-	-	361.90	361.90	Level 3
Unbilled receivables	982.41	-	-	-	982.41	
Other financial assets (Current and Non - Current)	5,434.67	-	-	-	5,434.67	
Total	46,712.63	-	87.21	878.77	47,678.61	
Financial Liabilities						
Trade payables	12,244.83	-	-	-	12,244.83	
Borrowings (other than debt securities)	76,725.57	-	-	-	76,725.57	
Lease hold liability	23,242.61	-	-	-	23,242.61	
Derivatives	-	43.42	-	-	43.42	Level 2
Other financial liabilities	5,538.93	-	-	-	5,538.93	
Total	117,751.94	43.42	-	-	117,795.36	

The Company considers that the carrying amounts of these financial instruments recognised in the financial statements approximates its fair values.

Details as at March 31, 2021 are as follows:

(₹ in Lakh)

Particulars	Amortised cost#	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Assets						
Cash and cash equivalents	521.96	-	-	-	521.96	-
Other bank balances	8,352.22	-	-	-	8,352.22	-
Trade receivables	4,203.87	-	-	-	4,203.87	-
Investments (Quoted instruments)	34,479.15	-	95.13	554.52	35,128.80	Level 1
Investments (Unquoted instruments)	-	-	-	326.04	326.04	Level 3
Derivatives	-	8.29	-	-	8.29	Level 2
Unbilled receivables	785.63	-	-	-	785.63	
Other financial assets (Current and Non - Current)	624.22	-	-	-	624.22	-
Total	48,967.05	8.29	95.13	880.56	49,951.03	

Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Amortised cost#	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Liabilities						
Trade payables	21,141.86	-	-	-	21,141.86	-
Borrowings (other than debt securities)	87,431.18	-	-	-	87,431.18	-
Lease hold liability	14,599.51	-	-	-	14,599.51	-
Other financial liabilities	16,820.57	-	-	-	16,820.57	-
Total	117,751.95	43.42	-	-	139,993.12	

The Company considers that the carrying amounts of these financial instruments recognised in the financial statements approximates its fair values.

Valuation techniques and significant unobservable inputs

The following table show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Increase /decrease of 5% or so in the discount rate would result in decrease /increase in the fair value	Valuation process
Investments	Discounted cash flow approach	Increase / decrease of 5% or so in the discount rate would result in decrease / increase in the fair value \$	Company has referred the fair valuation report of external valuation consultant for certain equity instruments measured at FVTOCI.

\$ holding all other variables constant

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Changes in level 3 items - Investments (Unquoted instruments)

(₹ in Lakh)

Particulars	Investment in equity shares
As at March 31, 2020	293.75
Additions	32.29
Disposals	-
Loss recognised in other comprehensive income	-
As at March 31, 2021	326.04
Additions	35.86
Disposals	-
Profit recognised in other comprehensive income	-
As at March 31, 2022	361.90

Changes in level 3 items - Investments

(₹ in Lakh)

Particulars	Investment in equity shares
As at March 31, 2020	9,613.00
Additions	-
Disposals	(9,613.00)
Loss recognised in other comprehensive income	-
As at March 31, 2021	-
Additions	-
Disposals	-
Profit recognised in other comprehensive income	-
As at March 31, 2022	-

Notes to the standalone financial statements for the year ended March 31, 2022

43 Financial instruments - Financial risk management

The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Credit risk

Credit risk is the risk of financial loss from counterparty failure to repay or service debts according to contractual terms or obligations. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company is exposed to credit risk from its operating activities (primarily for trade receivables and unbilled receivables) and from its investing activities (deposits with banks and other financial instruments).

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

There is no expected credit loss on trade receivables due to shorter realisation period of upto 90 days and the customer being part of the same Hinduja Group.

The carrying amount of the Company's receivables are as follows:

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Trade receivables	4,819.50	4,203.87
Other receivables	-	183.99
Unbilled receivables	982.41	785.63
Total	5,801.92	5,173.49

(₹ in Lakh)

Exposure to credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade and other receivables. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company by continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Expected credit loss assessment for trade and other receivables from customers

The Company uses allowance matrix to measure the expected credit loss of trade and other receivables.

Notes to the standalone financial statements for the year ended March 31, 2022

The following table provides information about the exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:

Particulars	(₹ in Lakh)	
	Carrying amount	
	March 31, 2022	March 31, 2021
Gross carrying amount	5,801.92	5,173.49
Weighted average loss rate - range	32.19%	6.45%
Loss allowance	1,867.69	333.91

Loss rates are based on actual credit loss experience over the past three years. The movement in the allowance for impairment in respect of trade and other receivables is as follows:

Particulars	(₹ in Lakh)	
	March 31, 2022	March 31, 2021
Balance as at 1 April	333.91	249.67
Movement during the year	1,533.78	84.24
Balance as at 31 March	1,867.69	333.91

In addition to the historical pattern of credit loss, we have considered the emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of and the financial strength of the customers in respect of whom amounts are receivable. Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case.

Cash and cash equivalents and other bank balances

The Company held cash and cash equivalents and Other bank balances with credit worthy banks of ₹ 5,062.40 lakhs as at March 31, 2022 (March 31, 2021: ₹ 8,880.03 lakhs) respectively. The credit worthiness of such banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Loans and other financial assets

Loans to group companies and Other financial assets including security deposits, etc are measured at amortised cost. Credit risk related to these financial assets are managed by monitoring the recoveries of such amounts on regular basis. The Company does not perceive any credit risk related to loan given to group companies since these will have an additional financial support from promoters as and when necessary.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any loss from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

ii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its financial liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

For the Company, liquidity risk arises from obligations on account of financial liabilities – (borrowings other than debt securities), trade payables and other financial liabilities.

Notes to the standalone financial statements for the year ended March 31, 2022

43 Financial instruments - Financial risk management (continued)

Liquidity risk management

The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and epidemics such as COVID-19.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lakh)

Particulars	Carrying amount	Contractual cash flows				Total
		Less than 12 months	1-2 years	2-5 years	More than 5 years	
March 31, 2022						
Non-derivative financial liabilities						
Trade payables	12,244.83	12,244.83				12,244.83
Borrowings other than debt securities (excluding unamortised borrowing costs) (Refer Note No. 1 below) (including interest accrued but not due)	76,882.95	66,233.18	4,829.99	5,819.55	-	76,882.72
Lease liabilities	23,242.61	4,036.03	15,070.91	3,466.49	669.18	23,242.61
Other financial liabilities	5,381.55	5,381.55	-	-	-	5,381.55
March 31, 2021						
Non-derivative financial liabilities						
Trade payables	21,141.86	21,141.86	-	-	-	21,141.86
Borrowings other than debt securities (excluding unamortised borrowing costs) (Refer Note No. 1 below) (including interest accrued but not due)	87,725.78	63,792.10	10,199.08	17,111.15	9.51	91,111.84
Lease liabilities	14,599.51	2,527.06	2,358.95	6,036.06	3,677.44	14,599.51
Other financial liabilities	16,525.96	16,820.56	-	-	-	16,820.56

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital to shareholders. The Company, if necessary, may take appropriate steps in order to maintain or adjust its capital structure.

Note:-

- As disclosed in note 47, the Company has secured bank loans that contain loan covenants. Under the agreement, the covenants are monitored on a regular basis by the management to ensure compliance.
- The interest payments on variable interest rate borrowings as stated above, reflect market interest rates at the reporting date and these amounts may change as market interest rates change.

Notes to the standalone financial statements for the year ended March 31, 2022

43 Financial instruments - Financial risk management (continued)

iii. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return, in foreign currency revenues and costs. The Company is domiciled in India and has its revenues and other transactions in its functional currency i.e. Rupees. Accordingly the Company is not exposed to any currency risk.

iv. Currency risk

The exchange rate between the domestic and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the results of the Company's operations are affected as the domestic currency appreciates/depreciates against these foreign currencies.

Exposure to currency risk

The following table analyzes the foreign currency risk from financial instruments :

	March 31, 2022		March 31, 2021	
	USD	₹	USD	₹
Liabilities:				
Trade payables including provisions	35.00	2,642.85	143.58	10,553.67
Net assets/ (liabilities)	35.00	2,642.85	143.58	10,553.67

₹	Average rate		Year-end spot rate	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD 1	74.62	74.20	75.51	73.51

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollar at balance sheet date would have affected the measurement of financial instruments denominated in US dollar and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in ₹	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2022				
1% movement	19.78	(19.78)	19.78	(19.78)
USD	19.78	(19.78)	19.78	(19.78)
March 31, 2021				
1% movement	78.98	(78.98)	78.98	(78.98)
USD	78.98	(78.98)	78.98	(78.98)

Notes to the standalone financial statements for the year ended March 31, 2022

43 Financial instruments - Financial risk management (continued)

Hedge accounting

The following table gives details in respect of outstanding hedge contracts:

Particulars	March 31, 2022		March 31, 2021	
	USD	INR	USD	INR
Interest rate swaps <i>(fair valuation through cash flow reserve)</i>				
In USD	-	-	8.71	626.91
Forward contracts <i>(fair valuation through profit and loss)</i>				
In USD	35.00	2,720.90	146.30	10,783.77
Total	35.00	2,720.90	155.01	11,410.68

The below table analyzes the hedging instruments into relevant maturity groupings based on the remaining period as of the reporting date.

Particulars	March 31, 2022		March 31, 2021	
	(₹ in Lakh)			
Interest rate swaps				
Not later than one month	-	-	-	626.91
One to six months	-	-	-	-
Six months to one year	-	-	-	-
More than one year	-	-	-	-
Total	-	-	-	626.91
Forward contracts				
Not later than one month	-	-	-	10,783.77
One to six months	2,720.90	-	-	-
Six months to one year	-	-	-	-
More than one year	-	-	-	-
Total	2,720.90	-	-	10,783.77

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risks relates primarily to the Company's interest obligations on its borrowings. Borrowings issued at variable rates are exposed to fair value interest rate risk.

Particulars	March 31, 2022		March 31, 2021	
	(₹ in Lakh)			
Exposure to interest rate risk				
As at				
Variable rate borrowings	76,725.57	-	87,431.18	-
Total Borrowings	76,725.57	-	87,431.18	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes to the standalone financial statements for the year ended March 31, 2022

43 Financial Instrument- Financial risk management (continued)

Interest rate sensitivity - variable rate borrowings

The below table mentions the impact of increase or decrease in the interest rates of variable rate borrowings on statement of profit and loss.

Particulars	(₹ in Lakh)	
	Impact on Statement of Profit and Loss	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest Rate increase by 100 bps*	570.70	650.33
Interest Rate decrease by 100 bps*	(570.70)	(650.33)

* holding all other variables constant

Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and has been reclassified as financial assets held for sale in the balance sheet either at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVTOCI). The majority of the Company's equity investments are unquoted (Refer note no. 12A). The financial assets are carried at fair value as at March 31, 2021 after considering the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.

v. Capital Management

The Company establishes its capital structure considering the key objective of maximising the shareholder's return. The Company's objectives when managing capital are to :

- a) safeguard their ability to continue as a going concern, so that they can continue to maintain investor, creditor and market confidence, better credit rating and to sustain future development of the business, and
- b) maintain an optimal capital structure (optimum mix of debt to equity) to reduce the cost of capital thus leading to achieving the Company's objective of maximizing shareholder's return.

The Company sets the amount of capital required on the basis of its long term business plans – operations and new businesses. The Company's management reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital. The Company monitors its capital by using gearing ratio, which is net debt divided to total equity. Net debt includes non-current and current borrowings net of cash and bank balances and total equity comprises of equity share capital, security premium, other comprehensive income and retained earnings.

The capital composition is as follows:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Gross Debt	76,725.57	87,431.18
Less: Cash and Bank	996.90	8,874.18
Net Debt (A)	75,728.67	78,556.99
Equity (B)	46,892.21	23,319.45
Gearing ratio (A / B)	1.61	3.37

Notes to the standalone financial statements for the year ended March 31, 2022

44 Employee benefits expense

The Company has classified various benefits provided to employees as under:

i. Defined contribution plan

- a) Provident fund
- b) State defined contribution plans
 - i. Employer's contribution to employees' state insurance
 - ii. Employer's contribution to Employees' Pension Scheme, 1995.

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
-Employer's contribution to provident fund [Includes EDLI charges and employer's contribution to Employee's Pension Scheme, 1995] *	289.42	272.57
-Employer's contribution to employees' state insurance *	30.74	30.97

*included in contribution to employees provident and other funds - Refer note 30 of the Financial

ii. Defined benefit plan

Contribution to Gratuity fund

The Company has a defined benefit gratuity plan in India. The company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from company as and when it becomes due and is paid as per company scheme for Gratuity.

Pursuant to the Scheme of Arrangement between the Company, Indusind Media and Communications Limited and their respective shareholders for demerger of Media and Communication undertaking of Indusind Media and Communications Limited (subsidiary company) and merger of the same into the Company pursuant to the approval of the Honourable National Company Law Tribunal, Mumbai Bench ('NCLT'), received on August 21, 2020, certain employees have been transferred from IMCL to the Company and vice versa.

As on March 31, 2021, the actuarial valuation has taken year end employee strength as base while arriving at employee benefit liabilities. Accordingly, in line with the said report, the Company has reflected the closing liability and have adjusted the difference amounting to ₹ 111.66 (credit/debit) in statement of Profit and Loss Account. Hence to the extent of opening balance adjustments there will be mismatch of the amounts reflected in the Statement of Profit and Loss and the actuarial valuation disclosures.

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit (assets) / liabilities and its components and the assumptions used to determine the same.

Description	(₹ in Lakh)	
	March 31, 2022	March 31, 2021
Changes in the present value of defined benefit obligation		
Balance at the beginning of the year	676.96	617.53
Transfers*	-	-
Interest cost	46.03	2.65
Current service cost	70.14	1.05
Liability Transferred In/ Acquisitions	-	80.47
Actuarial (gain) / loss recognized in Other comprehensive income ('OCI')	-	-
- change in experience	(33.30)	86.41
- change in demographic assumption	(0.53)	(15.56)
- change in financial assumption	(25.31)	(61.73)

Notes to the standalone financial statements for the year ended March 31, 2022

	(₹ inLakh)	
Description	March 31, 2022	March 31, 2021
Benefits paid	(51.79)	(33.86)
Benefit obligation at the end of the year	682.20	676.96
* Represents liability discharged in respect of employees transferred from group companies.		
Changes in the fair value of plan assets		
Balance at beginning of the year	846.87	525.00
Interest income	57.59	-
Contributions paid to the fund	21.90	-
Assets Transferred In/Acquisitions	-	254.86
Benefits paid	(51.79)	(2.36)
Return on plan assets excluding amounts included in interest income recognised in OCI	(2.87)	69.37
Fair value of plan assets at the end of the year	871.70	846.87
(Assets) and liabilities recognised in the Balance sheet		
Present value of the defined benefit obligation at the end of the year	682.20	676.96
Fair value of the plan assets at the end of the year	(871.70)	(846.87)
Net liability / (asset) recognised	(189.50)	(169.91)
Net interest cost for current period		
Present value of benefit obligation at the beginning of the year	676.96	617.53
(Fair value of plan assets at the beginning of the year)	(846.87)	(525.00)
Net Liability / (Asset) at the beginning	(169.91)	92.53
Interest Cost	46.03	2.65
(Interest Income)	(57.59)	-
Net interest cost for the current year	(11.56)	2.65
Expenses recognised in the Statement of profit and loss		
Current Service Cost	70.14	42.89
Net interest (income) / expense	(11.56)	8.62
Net gratuity cost recognised in the current year	58.58	51.51
Expenses recognised in the statement of other comprehensive income ('OCI')		
Remeasurements of the net defined benefit liability / (asset)		
Actuarial losses on obligation for the period	(59.14)	9.12
Return on plan assets excluding interest income	2.86	(69.37)
	(56.28)	(60.25)
Reconciliation of net (asset) / liability recognised:		
Net (asset) / liability recognised at the beginning of the year	(169.91)	92.53
Company contributions	(21.90)	-
Transfers*	-	(174.39)
Expenses recognised in other comprehensive income	(56.28)	(60.25)
Expenses recognised in statement of profit and loss	58.58	3.70
Benefits Paid	-	(31.50)
Net (asset) / liability recognised at the end of the year	(189.51)	(169.91)
(Refer note 9A)		

Notes to the standalone financial statements for the year ended March 31, 2022

Actuarial assumptions	March 31, 2022	March 31, 2021
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Discount rate (per annum)	6.80%	6.80%
Expected rate of return on plan assets	6.80%	6.80%
Future salary growth	5.00%	5.00%
Rate of employee turnover (Attrition rate)	For service 4 years and below 12.00% p.a. For service 5 years and above 2.00% p.a	For service 4 years and below 12.00% p.a. For service 5 years and above 2.00% p.a

Sensitivity Analysis:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation ('PVO') and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Particulars	(₹ inLakh)	
	March 31, 2022	March 31, 2021
Projected Benefit Obligation on Current assumptions	682.20	676.96
Delta Effect of +1% Change in Rate of Discounting	(53.49)	(57.27)
Delta Effect of -1% Change in Rate of Discounting	61.26	66.10
Delta Effect of +1% Change in Rate of Salary Increase	62.02	66.63
Delta Effect of -1% Change in Rate of Salary Increase	(55.04)	(58.71)
Delta Effect of +1% Change in Rate of Employee Turnover	9.03	7.68
Delta Effect of -1% Change in Rate of Employee Turnover	(10.15)	(8.73)

Note:

Sensitivity for significant actuarial assumption is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by one percentage, keeping all other assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis has not changed as compared to previous year.

Projected benefits payable in future years From the date of reporting:

Year	(₹ in Lakh)	
	March 31, 2022	March 31, 2021
1st Following Year	49.28	39.10
2nd Following Year	31.15	32.56
3rd Following Year	43.08	41.54
4th Following Year	44.37	33.08
5th Following Year	48.18	45.17
Sum of Years 6 To 10	364.24	300.67
Sum of Years 11 and above	848.08	934.05

Compensated absences

Provision in respect of Compensated absences / leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the Balance sheet date using Projected Unit Credit method. The liability for leave encashment and compensated absences as at March 31, 2022 aggregates ₹ 694.24 lakh [Previous Year - ₹ 758.18 lakh].

Notes to the standalone financial statements for the year ended March 31, 2022

45 Financial ratios

Ratio / Measure	Methodology	March 31, 2022	March 31, 2021
(a) Current ratio ¹	Current assets over current liabilities	0.16	0.23
(b) Debt-Equity ratio ²	Debt over total shareholders' equity	2.14	4.39
(c) Debt Service Coverage ratio	EBIT over current debt	0.19	0.15
(d) Return on Equity ratio ³	PAT over total average equity	-11.81%	-16.03%
(e) Inventory turnover ratio ⁴	Sales over average inventory	-	-
(f) Trade Receivables turnover ratio	Revenue from operations over average trade receivables	15.55	18.75
(g) Trade payables turnover ratio ⁵	Adjusted expenses over average trade payables	2.99	2.13
(h) Net capital turnover ratio	Revenue from operations over working capital	-0.95	-0.83
(i) Net profit ratio ⁶	Net profit over revenue	-5.90%	-7.91%
(j) Return on Capital employed ⁷	PBIT over capital employed	0.81%	-1.61%
(k) Return on investment ⁸	Interest income, net gain on sale of investments and fair value gain over average investments	0.48%	0.67%

Explanation for variance exceeding 25% :

- The movement is on account of payment to a large creditor during the current financial year, post receiving approvals from statutory authorities.
- Ratio has improved on account of funds raised through rights issue and utilized to reduce debt, during the financial year.
- PAT (Loss) has marginally improved due to improvement in operational performance of the Company
- The Company holds certain land parcels as inventories which is not the core line of business of the Company, hence this ratio may not reflect the health parameter appropriately.
- The movement is on account of payment to a large creditor during the current financial year, post receiving approvals from statutory authorities.
- Net Profit (Loss) has marginally improved due to improvement in operational performance of the Company.
- Earnings before Interest and Taxes has improved significantly due to improvement in operational performance of the Company and on account of sale of a land parcel during the financial year.
- The fair value of investments (Mark-to-Market) were adverse to the Company. Further, the surplus funds invested had marginally dropped during the year.

Notes to the standalone financial statements for the year ended March 31, 2022

46 Discontinued operations:

a. Financial Performance

(₹ in Lakh)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	-	-
Total Income	-	-
Expenses		
Net (Profit) / Loss on fair valuation of financial instruments at fair value through profit or loss	8.98	(317.17)
Net (Profit) / Loss on sale of financial instruments at fair value through profit or loss	-	-
Employee benefits expense	-	-
Finance costs	-	-
Other expenses	-	-
Total Expenses	8.98	(317.17)
Gain /(Loss) before tax	(8.98)	317.17
Income tax on above items	2.26	(71.27)
Gain/(Loss) after tax from discontinued operations	(6.72)	245.90
Other comprehensive income		
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	(7.92)	53.62
Income tax on above items	2.52	(4.61)
Other comprehensive income	(5.40)	49.01
Total comprehensive income	(12.12)	294.91

b. Cash flows

(₹ in Lakh)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Cash flows from operating activities	-	-
b. Cash flows from investing activities	-	9,613.01
c. Cash flows from financing activities	-	-

c. Analysis of assets and liabilities over which control was lost:

(₹ in Lakh)		
Particulars	As at March 31, 2022	As at March 31, 2021
Current Assets		
Financials Assets classified as held for sale	-	-
Total Current Assets	-	-

Notes to the standalone financial statements for the year ended March 31, 2022

47 Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

(₹ in Lakh)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment
Secured								
From Bank								
TL – 1	13,333.77	2,647.34	Between 8.50% to 8.55%	Repayable Between April 2018 to July 2025 (Refer Note 1)	15,933.16	2,134.40	Between 8.45% to 9.90%	Repayable between April 2018 to July 2025
BC – 1	-	-	-	-	-	628.74	10.35%	Repayable in April 2021
Sub-Total	13,333.77	2,647.34			15,933.16	2,763.14		
TL – 2	109.99	294.66	10.75% to 11.75%	Repayable between April 2021 to April 2023 (Refer note 2)	7,247.18	3,687.16	Between 10.75% to 11.75%	Repayable between April 2018 to April 2023
TL – 3	-	2,000.00	11.20%	Repayable in Apr-22. (Working capital demand loans) (Refer note 3)	-	2,000.00	Between 9.82% to 11.00%	Repayable in September 2021 (Working capital demand loans)
From Non-Banking Financial Institutions								
TL – 4	15.36	443.38	-	Repayable quarterly up to January 2028 (Refer note 4)	458.74	261.42	-	Repayable quarterly up to January 2028
Sub-Total	125.35	2,738.04			7,705.92	5,948.58		
Unsecured								
Inter corporate deposits	-	57,881.07	7.95% to 11.25%	Repayable on demand	-	55,080.38	7.95% to 12.00%	Repayable on demand
Total	13,459.12	63,266.45	-	-	23,639.08	63,792.10		

Notes:

- TL-1- The Loan is repayable in 7 years in 28 quarterly instalments, for each tranche of disbursement. First repayment will commence from 4th month of the date of each tranche of disbursement. Interest rate 6 months MCLR and Yes Bank Limited shall reset the 6 months MCLR on 1st day of the month falling after six calendar months including the month in which drawdown has been made. First Charge on all current and movable assets (both present and future) and Escrow Account for collection of proceeds of lease rentals to be created in favour of Vistra ITCL India Ltd. During the year, the Company has made prepayment of ₹ 7,763.29 lakhs over and above the payments of regular instalments.
- TL-2 - Repayable in 24 Quarterly unequal instalments starting from January 2017 after an initial moratorium of 2 years. Interest rate 6 months MCLR plus spread of 2.35%. Interest ranging from 10.35% between April - 2021 to March 2022 with an exclusive charge on all Hits related Fixed assets.
- TL-3 are secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.
- TL-4 - Pertains to sales and lease back transaction conducted in the year ended 31st March 2020 which is payable in 32 unequal installments starting from April 2020, as per the operating lease agreement entered.
- The quarterly returns / statements of current assets filed by the Company with banks / financial institutions are in agreement with the books of accounts.

Notes to the standalone financial statements for the year ended March 31, 2022

48 Loans (current)

A Loans and advances in the nature of loans to subsidiaries and associates (pursuant to Clause 32 of the Listing Agreement with Stock Exchanges):

(₹ in Lakh)

Name of the Company	Relationship	Balance		Maximum balance outstanding	
		March 31, 2022	March 31, 2021	2021-2022	2020-2021
OneOTT Entertainment Limited	Direct Subsidiary	-	-	-	575.00
IN Entertainment (India) Limited	Indirect Subsidiary	-	-	865.00	3,590.00
Vinsat Digital Private Limited	Indirect Subsidiary	-	-	120.60	-

Notes:

- Loans and advances, in the nature of loans to subsidiaries as shown above are repayable on demand.
- There are no other loans and advances in the nature of loans where there is no repayment schedule.
- Loans and advances to employees and investment by such employees in the shares of the Company, if any, are excluded from the above disclosure.

B DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are given in Note 6 and 6A
- Details of loans given by the Company are as follows:

(₹ in Lakh)

Name of the Company	As At March 31, 2022	As At March 31, 2021	Maximum balance outstanding during the year	Purpose / utilisation by the borrower	Terms and conditions
OneOTT Entertainment Limited	-	-	-	To meet working capital requirement	Loan is repayable on demand and the interest rate is (Previous Year 10.50% p.a)
IN Entertainment (India) Limited	-	-	865.00	To meet working capital requirement	Loan is repayable on demand and the interest rate is 11.25% p.a. (Previous Year 11.25% p.a)
Vinsat Digital Private Limited	-	-	120.60	To meet working capital requirement	Loan is repayable on demand and the interest rate is 10.50% p.a

Note: The above figures are excluding accrued interest

- There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder

Notes to the standalone financial statements for the year ended March 31, 2022

49 Contingent liabilities and commitments (to the extent not provided for)

		(₹ in Lakh)	
S. No.	Particulars	March 31, 2022	March 31, 2021
a.	<u>Claims against the company not acknowledged as debts relating to:</u>		
	Entertainment tax (refer note (i) below)	2,193.00	2,193.00
	Cable Television Related Cases	234.16	234.16
	Service tax	12,794.00	12,794.00
	Income tax (refer note (viii) below)	6,143.59	6,143.59
	Sales Tax and Value Added Tax	3,925.74	1,994.50
	Custom Duty	1,476.30	1,476.30
	Local Body Tax	73.42	73.42
	License fee (Department of Telecommunication) (refer note (iv) below)	58,711.82	51,559.00
	Goods and Service Tax	115.98	48.99
b.	<u>Gaurantees/counter gaurantees given by the company to:</u>		
	Bank gaurantees given to various authorities	4,198.00	198.00
	Custom authorities	347.00	347.00
	<u>Other commitments</u>		
c.	Contracts remaining to be executed on capital account and not provided for	2,053.15	17.06
d.	Letter of Credit ('LC') issued by bankers and outstanding as on reporting date for import/purchase of equipment and services	-	862.70
e.	Co-borrower with customer for loan availed from Hinduja Leyland Finance Limited	-	200.00
f.	Provident fund	409.00	409.00

Relevant notes:

i Entertainment tax ('ET') material disputes are given below:

Entertainment tax on Local cable operator (LCO) Points (Maharashtra)

The Government of Maharashtra issued Resolution No. - ENT2013/PK59/T-1 ('GR') dated 7 March 2013 for payment of ET on franchisee points by Multi System Operator (MSO). Accordingly, the ET authorities issued demand notices of ₹ 1,809 lakhs relating to Mumbai, Nagpur and Nashik as under:

S. No.	Period	Notice Issued by	City	March 31, 2022	March 31, 2021
a.	April 2013 – September 2013	District Collector/ Tahsildar	Mumbai	507.08	507.08
b.	April 2013 – June 2013	Office of District Collector	Nagpur	181.14	181.14
c.	April 2013 - July 2013	Office of District Collector	Nashik	41.35	41.35
d.	July 2013 – October 2014	Office of District Collector	Nagpur	1,079.92	1,079.92
				1,809.49	1,809.49

In response to the demand notice issued by the ET authorities in Nagpur, the Company has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by the Company before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against the Company and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the Court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's.

The Government of Maharashtra has vide an Ordinance dated 10 February 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the

Notes to the standalone financial statements for the year ended March 31, 2022

ordinance become part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated 25 July 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. The Company has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, the Company is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by the company at this stage and it is not payable by the Company.

ii. **Order from Service tax authorities for reversal of Cenvat Credit on Counter-veiling duty ('CVD') paid on import of Set-top boxes ('STB')**

Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the Company had paid CVD on imported STB's. The Company issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Company. STB's are used for providing output service i.e. Cable operator service. The Company has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Company for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during the current year and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to ₹ 12,653 lakhs. In response to the Order, the Company has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019. Based on the above facts, the Company is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

iii. **Value added tax (VAT) material disputes are given below :**

The Company had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Company has filed appeal with respective Appellate authorities.

The Company is of the opinion that it still remains the owner of STBs. Though physical control of STB is passed on to the end subscriber effective control remains with the Company hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Company is of the opinion that it does not require to make any provisions in the books for the said demand.

iv. **License fee demand notice from Department of Telecommunication :**

The Company received notices during the financial year 2017-2018 from the Department of Telecommunication (DOT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to ₹ 50,775.24 lakhs, under the License No. 820-5/2002-LR dated 16 May 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IndusInd Media and Communications Limited (IMCL) which was subsequently transferred to ONEOTT Entertainment Limited (OIL) with effect from 1 April 2015. DOT demand on the Company was stayed by TDSAT vide its order dated 20 December 2017 and the said stay has not been vacated as on the date of balance sheet.

Although the above referred license has been transferred by IMCL to OIL, the amounts mentioned above have been reported under contingent liability in view of the counter indemnity given by IMCL in favour of OIL, against the indemnity given by OIL to DoT to service any past liability in connection with the said license.

Further, in connection with Network Operations Services availed by the Company from OIL, for the periods starting from Mar 2018 onwards, the Company has given an indemnity to reimburse a sum of ₹ 940.17 lakhs (as at 31st Mar 2021: ₹ 937 lakhs) along with applicable interest, penalty and interest on penalty towards license fees payable on the adjusted gross revenues thereon, in the event the same becomes a crystallized liability in the hands of OIL.

In light of the Hon'ble Supreme Court's judgement in FY 20, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities.

Notes to the standalone financial statements for the year ended March 31, 2022

During the current year, TDSAT vide its order dated 12 June 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators.

Relying on an independent legal expert's opinion, the Company and OIL continue to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

During current financial year the Company has received revised demand for F.Y.2014-15, the earlier demand was ₹ 9,017.85 lakhs, which got revised to ₹ 16,014.27 lakhs.

v. Custom Duty on Activation Fee

The Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Company and passed the order confirming a demand of ₹ 927 Lakhs (including penalty and redemption fine). The Company has filed an Appeal before the CESTAT, Mumbai in June 2018. Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Company expects that the outcome of the matter will be favorable to the Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities.

In addition to above order, during the Previous Year, Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Company and the matter got heard before the Adjudicating Authority in the Current Year. Company has received a letter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provisions of the Customs Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs.

vi. Provident Fund

In February 2019, the Hon'ble Supreme Court of India vide its judgment and subsequent review petition of August 2019 has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act. The Company has assessed possible outcomes of the judgment on determination of provident fund contributions and based on the Company's current evaluation of the judgment, it is not probable that certain allowances paid by the Company will be subject to payment of provident fund. The Company will continue to monitor and evaluate its position based on future events and developments.

vii. The Company has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Company has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on these standalone financial statements.

viii. In addition to above, the Company has received income tax demand pertaining to IT/ITES business aggregating ₹ 7,144.66 Lakh in respect of period prior to October 1, 2006 which is reimbursable to the Company by Hinduja Global Solutions Limited pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business from the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had received ₹ 5,550.00 Lakh from Hinduja Global Solutions Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of ₹ Nil including interest of ₹ Nil (March 31, 2020 - Nil including interest of ₹ Nil) during the year and the net outstanding amount as at March 31, 2021 of ₹ 1,868.99 lakh (March 31, 2020 of ₹ 1,868.99 Lakh). Company has already received a Favourable order from the Hon'ble Bombay High Court. In view of Management and based on the legal advice obtained, the Company has a strong case to succeed.

The honourable Supreme Court of India has admitted a special leave petition (SLP) against section 10A matter under Income Tax Act, 1961 and the contingent liability as disclosed above for the financial year ended March 31, 2020 is recomputed considering all the open assessment years.

Future cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.

ix. The Company has given an undertaking to three banks (i.e. Yes Bank Ltd., Axis Bank Ltd. and RBL Bank Ltd.) to retain shareholding to the extent of 51% in the subsidiary viz. IndusInd Media & Communications Limited (IMCL) until all the amounts outstanding under various Facility Agreements entered into by IMCL with the said banks are repaid in full by IMCL. As at the balance sheet date there are no outstanding amounts payable to RBL Bank Limited.

Notes to the standalone financial statements for the year ended March 31, 2022

50 Foreseeable losses

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Company has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

51 Dividend remitted in foreign currency

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount remitted (₹ in Lakh)	175.64	220.89
Dividend related to financial year	2020-21	2019-20
Number of non-resident shareholders	17.00	17.00
Number of shares	5,560,839.00	5,633,661.00

52 Changes in liability arising from financial activities

	As at March 31, 2021	Cash flows	Non-cash changes	As at March 31, 2022
Borrowings	87,431.18	(10,705.61)	-	76,725.57
Other financial liabilities	16,820.57	(11,144.41)	(137.23)	5,538.93

	As at March 31, 2020	Cash flows	Non-cash changes	As at March 31, 2021
Borrowings	68,153.29	19,277.89	-	87,431.18
Other financial liabilities	23,532.29	(1,263.36)	(5,448.35)	16,820.57

53 Change in estimate

The Company's business was evolving post implementation of New Tariff Order (NTO) notified by the Telecom Regulatory Authority of India (TRAI) effective from February 1, 2019. Owing to the foregoing the customer churn period pattern too underwent a change, accordingly with effect from 1st April 2021, the Company has recognized the installation fees immediately on the provision of service and continued to recognize the installation fees over two years for those installations done in the previous year (For the year ended March 31, 2021 : from three years to two years). The effect of this change has resulted in recognition of additional installation revenue amounting to ₹ 840.71 lakhs (March 31, 2021: ₹ 1,487.56) lakhs during the year.

- 54 During the year, the company signed a settlement agreement with an erstwhile service provider thereby crystallizing the liability payable to such provider. The amounts due has been remitted to the service provider, as per the extant arrangement in place. Therefore, the excess of provisions carried in the books over and above the amounts remitted, amounting to ₹ 1,322.37 lakhs has been reversed and credited to the Statement of Profit and Loss.
- 55 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 56 The Board of Directors of the Company, at their meeting held on February 17, 2022, had, inter-alia, accorded approval to the Demerger of Digital, Media & Communications Business Undertaking alongwith the investments in its subsidiaries of the Company vide a Draft Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or "HGS") and their respective shareholders. The said Scheme/Demerger is subject to necessary approvals of statutory/regulatory authorities and approval of shareholders. The Company has made application to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 25, 2022 and February 26, 2022 respectively for seeking their No Objection on the Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for proposed Scheme of Arrangement. The clearance is awaited.
- 57 The Board of Directors of the Company at their meeting held on March 16, 2022, has inter alia accorded an in-principle approval for a scheme of arrangement i.e. merger of Hinduja Leyland Finance Limited with the Company. The said scheme/ merger is subject to necessary statutory/ regulatory approvals and approval of shareholders and accordingly no effect has been given in this financial results.

Notes to the standalone financial statements for the year ended March 31, 2022

58 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iii) The Company has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium :
 - (I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 - (II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

- 59** (a) The financial statements are approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on May 18, 2022.
- (b) The Board of Directors at its meeting conducted on May 18, 2022 have recommended a dividend of ₹ 4 per share (on par value of ₹ 10.00/- each per equity share) for the year ended March 31, 2022, to be approved by the Shareholders in the ensuing Annual General Meeting of the Company.

- 60** Previous years figures are re-grouped, re-classified and re-arranged, wherever considered necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors of
NXTDIGITAL LIMITED
CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP
Chartered Accountants
Firm's Registration No. 103523W / W100048

Vynsley Fernandes
Managing Director & Chief Executive Officer
DIN 02987818

Anil Harish
Director
DIN 00001685

Snehal Shah
Partner
Membership No. 048539

Amar Chintopanth
Whole Time Director & Chief Financial Officer
DIN 00048789

Ashish Pandey
Company Secretary
FCS No. 6078

Place : Mumbai
Date : May 18, 2022

Place : Mumbai
Date : May 18, 2022

Independent Auditor's Report

To the Members of NXTDIGITAL LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **NXTDIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
1.	<p>Revenue recognition on subscription, installation charges, carriage and channel placement fees (Refer note 29 to the consolidated Ind AS financial statements)</p> <p>The Group is in the business of Media and Communication which is primarily into distribution of TV signals both through Cable and Satellite. The various streams of revenue recognition are revenue from subscription, installation charges, and carriage and channel placement fees.</p> <p>Revenue recognition is done basis the subscription plans and tariffs, agreements entered with the concerned Multi State Operators and Local Cable Operators. Carriage and channel placement fees are recognised based on the agreements entered with the TV broadcasters.</p>	<p>Our audit procedures included:</p> <p>a) Design and Implementation of internal financial controls - We have by way of a walkthrough procedure understood and tested the control design and implementation as established by the Management over revenue recognition.</p> <p>b) Validation of Accounting Policy - We have assessed the appropriateness of the Group accounting policy on revenue recognition by comparing with applicable accounting standards.</p> <p>c) Control testing - Based on the thorough understanding of the process related to each of the revenue stream, and the controls in place in respect of each of the activity involved in the processes, we have tested the operating effectiveness of the key controls adopted by the Group.</p>

Independent Auditor's Report

Sr. No.	Key audit matter	How our audit addressed the key audit matter
	<p>The Group has a huge country wide presence and its operations span across many locations, hence there are many peculiarities with respect to contractual terms entered with operators and broadcasters. Also, significant judgment is involved in assessing the timing and extent of revenue recognition for installation, carriage and channel placement fees. Based on the above factors, we have identified revenue recognition as a key audit matter.</p>	<p>d) Test of details -</p> <p>We have verified the revenue recognised in respect of each of the revenue streams on sample basis along with invoices raised and relevant supporting documents such as underlying agreement/contract entered into with operators and broadcasters.</p> <p>We have verified and assessed the revenue recognition working with the requirements of Ind AS 115.</p> <p>We have verified the judgment and estimates made by the management in revenue recognition.</p>
2.	<p>Recognition of Deferred Tax on Unabsorbed losses (Refer note 37 to the consolidated Ind AS financial statements)</p> <p>The Group recognizes deferred tax assets on unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be used. Future realization of deferred tax assets depends on the existence of sufficient taxable income of the appropriate character. Sources of taxable income include future reversals of deferred tax liabilities, expected future taxable income, and tax planning strategies.</p> <p>The Holding Company has recognised a deferred tax asset in respect of unabsorbed depreciation and business losses pertaining to the earlier assessment years. The balance of deferred tax asset (net) as at March 31, 2022 amounting to ₹ 24,599.11 lakhs comprises of deferred tax asset of ₹ 22,219.09 lakhs and ₹ 4,310.00 lakhs in respect of unabsorbed depreciation and business losses respectively. The deferred tax asset has been recognised as it is considered to be recoverable based on the Holding Company's projected taxable profits in the forthcoming years. Under Ind AS 12 - Income Taxes, the carrying amount of a deferred tax asset is required to be reviewed at the end of each reporting period.</p> <p>This has been determined as a key audit matter as the amount is significant to the consolidated Ind AS financial statements and significant judgement was required by the Holding Company's Management in the preparation of forecasts of future taxable profits based on the underlying business plans. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimates of taxable income.</p>	<p>Our audit procedures included:</p> <p>a) Design and Implementation of internal financial controls -</p> <p>We have by way of a walkthrough procedure understood and tested the design and implementation of controls in respect of the identification and evaluation of deferred tax assets and the recording and re-assessment of the related liabilities/assets and provisions and disclosures.</p> <p>b) Validation of Accounting Policy -</p> <p>We have assessed the appropriateness of the Group's accounting policy on deferred tax assets by comparing with applicable accounting standards.</p> <p>c) Test of details –</p> <p>We tested management's assumptions including forecasts and sensitivity analysis in respect of recoverability of deferred taxes on unabsorbed depreciation/carry forward losses.</p> <p>Evaluated the progress made by the Holding Company in recent periods vis-a-vis the approved budget along with reasons for variance, if any, which <i>inter-alia</i> included monitoring of progress of projects and related costs and improvement of order book position;</p> <p>We evaluated existing deferred tax liabilities in the same tax jurisdiction that may be used to offset existing unused tax losses prior to their expiry date;</p> <p>We analyzed the consistency of cash flow forecasts with management's latest estimates presented to the Board of Directors as part of the budget process;</p> <p>We evaluated whether the estimates of future taxable income were consistent with evidence obtained in other areas of the audit;</p> <p>We tested the reasonableness of the managements estimate of the business plan data and long-term growth rates accurately reflected those used in the measurement of deferred taxes;</p> <p>We have evaluated disclosures of the tax positions, tax loss carry forwards and tax litigations in the consolidated Ind AS financial statements.</p> <p>We reviewed the adequacy of the Group's disclosures for deferred tax assets.</p>

Independent Auditor's Report

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Directors' Report, Management Discussion & Analysis Report etc., but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the reports of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Independent Auditor's Report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entity included in the consolidated Ind AS financial statements of which we are the independent auditor. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the Ind AS financial statements of 18 subsidiaries (including 16 step down subsidiaries), whose Ind AS financial statements reflects total assets of ₹ 1,12,581.87 lakhs and net assets of ₹ 53,471.82 lakhs as at March 31, 2022, total revenues of ₹ 48,754.34 lakhs and net cash inflows amounting to ₹ 2,161.76 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- (1) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and taking into consideration the reports of other auditors on separate Ind AS financial statements of subsidiaries included in the consolidated Ind AS financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the aforesaid CARO reports.
- (2) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the Other Matters section above we report, to the extent applicable, that:

Independent Auditor's Report

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 1";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company and subsidiary companies incorporated in India is in accordance with the provisions of Section 197 of the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41 to the consolidated Ind AS financial statements;
 - (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 43 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - (iv) (a) Based on our audit report on separate Ind AS financial statements of the Holding Company and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary companies, incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries, have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts of the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (iv) (b) Based on our audit report on separate Ind AS financial statements of the Holding Company and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary companies, incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the

aforesaid subsidiaries, have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts of the consolidated Ind AS financial statements, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of reports of the other auditors on separate Ind AS financial statements of the subsidiary companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As stated in Note 65 to the consolidated Ind AS financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in compliance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with Section 123 of the Act, as applicable.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner
Membership No.048539
UDIN: 22048539AJMZBK5241

Place: Mumbai
Date: May 18, 2022

Annexure to the Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **NXTDIGITAL Limited** on the consolidated Ind AS financial statements for the year ended March 31, 2022]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of **NXTDIGITAL Limited** ("Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary companies.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions/ and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to eighteen subsidiary companies (including sixteen step down subsidiaries), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner
Membership No.048539
UDIN: 22048539AJMZBK5241

Place: Mumbai
Date: May 18, 2022

Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
Property, plant and equipment	2	46,903.00	56,590.27
Capital work-in-progress	3	625.61	999.39
Investment Properties	4	201.02	-
Right to use assets	5	29,222.70	16,191.88
Other intangible assets	6	28,485.71	29,140.36
Goodwill	7	13,232.03	13,232.03
Financial assets			
i) Investments	8	596.88	601.70
ii) Loans	9	350.00	349.64
iii) Other financial assets	10	5,322.72	433.35
Income tax assets (net)		6,831.55	6,014.77
Deferred tax assets (net)	37	33,529.60	22,867.52
Other non-current assets	11	3,684.12	2,897.01
Total Non-current Assets		168,984.93	149,317.91
Current Assets			
Inventories	12	2,434.67	4,599.86
Financial assets			
i) Investments	8A	615.77	655.39
ii) Trade receivables	13	7,876.32	7,117.97
iii) Derivatives assets	14	-	8.29
iv) Cash and cash equivalents	15	2,876.04	1,306.52
v) Other bank balances	16	2,107.14	9,499.12
vi) Loans	9A	8,459.99	5,999.18
vii) Other financial assets	10A	490.73	450.24
viii) Financials assets classified as held for sale	17	526.17	543.08
ix) Unbilled receivables		1,344.73	1,360.78
Other current assets	11A	6,727.12	6,912.92
Total Current Assets		33,458.67	38,453.35
Total Assets		202,443.61	187,771.26
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	3,367.17	2,405.12
Other equity	19	31,433.40	5,864.69
Equity attributable to the equity holders of the company		34,800.57	8,269.81
Non-controlling interest	20	15,439.79	13,807.64
Total Equity		50,240.36	22,077.45
Liabilities			
Non-current Liabilities			
Financial liabilities			
i) Borrowings	21	13,459.12	23,658.05
ii) Lease liability	45	20,942.74	13,510.60
iii) Other financial liabilities	22	1,702.22	390.00
Provisions	23	868.15	928.53
Deferred income	24	75.92	377.88
Total Non-current Liabilities		37,048.15	38,865.06
Current Liabilities			
Financial liabilities			
i) Borrowings	21A	77,112.37	72,809.39
ii) Trade payables	25		
a) Total outstanding dues of micro enterprises and small enterprises		145.76	81.00
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		16,244.92	24,781.10
iii) Derivative liabilities	26	43.42	-
iv) Lease liabilities	45	7,533.48	3,651.80
v) Other financial liabilities	22A	6,265.71	17,658.57
Provisions	23A	166.03	162.81
Current tax liabilities (net)	27	27.08	138.81
Deferred income	24A	5,284.70	5,558.56
Other current liabilities	28	2,336.63	1,986.70
Total Current Liabilities		115,155.10	126,828.75
Total Liabilities		152,203.25	165,693.81
Total Equity and Liabilities		202,443.61	187,771.26
Significant accounting policies	1		
The above Consolidated Balance sheet should be read in conjunction with the accompanying notes	2 - 66		

In terms of our report attached

For and on behalf of
NXTDIGITAL LIMITED
CIN : L51900MH1985PLC036896

For Haribhakti & Co.
Chartered Accountants
Firm's Registration No. 103523W / W100048

Vynsley Fernandes
Managing Director & Chief Executive Officer
DIN 02987818

Anil Harish
Director
DIN 00001685

Snehal Shah
Partner
Membership No. 048539

Amar Chintopanth
Whole Time Director & Chief Financial Officer
DIN 00048789

Ashish Pandey
Company Secretary
FCS No. 6078

Place : Mumbai
Date : May 18, 2022

Place : Mumbai
Date : May 18, 2022

Consolidated Statement of profit and loss

for the year ended March 31, 2022

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
(₹ in Lakh)			
Income			
Revenue from operations	29	107,979.95	97,488.15
Other income	30	7,238.63	3,356.93
Total Income (I)		115,218.58	100,845.08
Expenses			
Purchase of stock-in-trade		4,490.33	3,801.87
Changes in inventories of stock-in-trade	31	2,165.19	50.16
Operating expenses	32	52,206.53	45,200.41
Employee benefits expense	33	7,628.01	8,008.65
Finance costs	34	13,612.05	14,265.84
Depreciation and amortisation expense	35	22,329.98	20,398.08
Other expenses	36	23,106.23	20,575.92
Total Expenses (II)		125,538.32	112,300.92
Loss before tax from continuing operations (I - II)		(10,319.74)	(11,455.85)
Tax Expense:	37		
Current tax		217.34	255.98
Deferred tax / (reversal)		(10,738.30)	(10,079.01)
Taxes paid for earlier years		4.01	3.25
Total Tax Expenses		(10,516.95)	(9,819.78)
Profit / (Loss) after tax from continuing operations		197.21	(1,636.07)
Profit / (Loss) from discontinued operations	50	(8.98)	317.17
Tax Expense of discontinued operations		(2.26)	71.27
Profit / (Loss) after tax from discontinued operations		(6.72)	245.90
Profit / (Loss) for the year		190.49	(1,390.17)
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss (Discontinued)			
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income		(7.92)	53.62
Net Profit / (Loss) on sale of equity instruments through other comprehensive income		-	-
Tax impact		2.52	(4.61)
Total of items that will not be reclassified to profit or loss (Discontinued)		(5.40)	49.01
B. Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		55.85	(162.36)
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income		(4.85)	114.35
Tax impact		(13.45)	(10.66)
Total of items that will not be reclassified to profit or loss (Continuing)		37.55	(58.67)
C. Items that will be subsequently reclassified to the Statement of profit or loss			
Effective portion of gain / (loss) on hedging instrument in cash flow hedges		(136.20)	69.37
Tax impact		29.78	(17.46)
Total of items that will be subsequently reclassified to the Statement of profit or loss		(106.42)	51.91
Total Other Comprehensive Income for the year (A + B + C)		(74.27)	42.25
Total Comprehensive Income for the year		116.22	(1,347.92)
Profit/(Loss) for the year attributable to:			
Equity holders of the parent		(1,269.54)	(2,914.98)
Non-Controlling Interest		1,460.03	1,524.81
Total		190.49	(1,390.17)
Other comprehensive income for the year attributable to:			
Equity holders of the parent		(72.71)	49.27
Non-Controlling Interest		(1.56)	(7.02)
Total		(74.27)	42.25
Total comprehensive income/ (loss) for the year attributable to:			
Equity holders of the parent		(1,342.25)	(2,865.71)
Non-Controlling Interest		1,458.47	1,517.79
Total		116.22	(1,347.92)
Earnings per equity share (for continuing operation):	38		
(Face value of equity share of ₹ 10 each)			
Basic (in ₹)		(5.02)	(12.04)
Diluted (in ₹)		(5.02)	(12.04)
Earnings per equity share (for discontinued operation):			
(Face value of equity share of ₹ 10 each)			
Basic (in ₹)		(0.02)	0.94
Diluted (in ₹)		(0.02)	0.94
Earnings per equity share (for total operations):			
(Face value of equity share of ₹ 10 each)			
Basic (in ₹)		(5.04)	(11.10)
Diluted (in ₹)		(5.04)	(11.10)
Significant accounting policies	1		
The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes	2 - 66		

In terms of our report attached

For and on behalf of
NXTDIGITAL LIMITED
 CIN : L51900MH1985PLC036896

For Haribhakti & Co.
 Chartered Accountants
 Firm's Registration No. 103523W / W100048

Vynsley Fernandes
 Managing Director & Chief Executive Officer
 DIN 02987818

Anil Harish
 Director
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 Partner
 Membership No. 048539

Amar Chintopanth
 Whole Time Director & Chief Financial Officer
 DIN 00048789

Ashish Pandey
 Company Secretary
 FCS No. 6078

Place : Mumbai
 Date : May 18, 2022

Place : Mumbai
 Date : May 18, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Profit/(Loss) before tax from continuing operations	(10,319.74)	(11,455.86)
Profit/(Loss) before tax from discontinuing operations	(8.98)	317.17
Adjustments for:		
Interest income	(1,264.02)	(1,434.54)
Dividend income	(2.11)	(3.54)
Gain on fair valuation of investments measured at fair value through profit or loss	(12.77)	(668.98)
Provision no longer required written back	-	(34.83)
Interest on income tax refund	(138.13)	(88.61)
Sundry credit balances no longer required written back	(3,760.55)	(357.94)
Unwinding of security deposit	(40.22)	(18.05)
Foreign currency fluctuation (gain) / loss	14.20	346.59
Provision for diminution in value of investment	-	11.18
Amortisation of security deposit	44.30	15.88
Finance costs	13,612.05	14,265.84
Depreciation and amortisation expense	22,329.98	20,398.09
(Gain) / Loss on sale of property, plant and equipment	(921.28)	(43.99)
Advances written off	259.75	255.58
Bad debts / Provision for doubtful debts	2,035.79	794.82
	32,156.98	33,437.50
Operating (Loss) before working capital changes	21,828.28	22,298.82
Changes in operating assets and liabilities		
(Increase) / Decrease in derivative financial instruments	(84.49)	2,182.71
(Increase) Decrease in trade receivables	(2,794.14)	(5,850.28)
(Increase) / Decrease in other financial assets	(7,607.16)	86.68
(Increase) / Decrease in Inventories	2,165.19	50.16
(Increase) / Decrease in non-financials assets	(601.31)	3,739.52
Increase/(Decrease) in trade payables	(4,688.50)	(4,903.59)
Increase/(Decrease) in other financial liabilities	(10,080.63)	(834.27)
Increase/ (Decrease) in provisions	(1.31)	(66.57)
Increase / (Decrease) in other non-financial liabilities	(225.90)	130.31
	(23,918.24)	(5,465.32)
Cash (used in) operations	(2,089.96)	16,833.49
Taxes paid (net of refunds)	(560.97)	(186.17)
Net Cash (used in)/ generated from operating activities (A)	(2,650.93)	16,647.32
B Cash flow from investing activities		
Interest income received	1,249.27	1,434.54
Dividend income received	2.11	3.54
Fixed deposits (placed) / redeemed and other bank balances	7,391.98	317.23
Purchase of property, plant and equipment / other intangible assets	(26,119.98)	(10,785.10)
Sale of property, plant and equipment / other intangible assets	2,195.14	283.57
Sale of investments	44.45	9,613.00
	(15,237.03)	866.78
Net Cash (used in)/ generated from investing activities (B)	(15,237.03)	866.78

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C Cash flow from financing activities		
Proceeds from rights issue of shares (net)	28,680.91	-
Receipt of (loans taken) / loans given (net)	77,538.00	396.47
Proceeds from / (Repayment) of lease liabilities	11,313.82	(2,774.17)
Repayment of borrowings taken (net of repayment)	(83,433.95)	(905.13)
Interest paid	(13,648.62)	(14,265.84)
Dividend paid	(992.68)	(1,352.55)
	19,457.48	(18,901.22)
Net cash (used in)/ generated from financing activities (C)	19,457.48	(18,901.22)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,569.52	(1,387.12)
Cash and cash equivalents at the beginning of the year	1,306.52	2,693.64
Cash and cash equivalent acquired on scheme of arrangement	-	-
Cash and cash equivalents at the end of the year	2,876.04	1,306.52
Cash and cash equivalents comprises of:		
Cash on hand	93.97	128.05
Balance with banks:		
- Current accounts	2,330.41	635.11
- Deposit accounts with original maturity of less than three months	385.95	211.12
- Deposit accounts with original maturity of more than 12 months		
- Debit balance of cash credit facility	-	202.53
Cheques on hand	65.70	129.70
Total	2,876.04	1,306.52

Notes:

- The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows.
- Previous year's figures have been regrouped / rearranged wherever necessary, to conform to figures of the current year.

Significant accounting policies

1

The above Consolidated Statement of Cash flow should be read in conjunction with the accompanying notes

2 - 66

In terms of our report attached

For and on behalf of
NXTDIGITAL LIMITED
 CIN : L51900MH1985PLC036896

For Haribhakti & Co.
 Chartered Accountants
 Firm's Registration No. 103523W / W100048

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 DIN 00048789

Ashish Pandey
 Company Secretary
 FCS No. 6078

Place : Mumbai
 Date : May 18, 2022

Place : Mumbai
 Date : May 18, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(A) Equity share capital

(₹ in Lakh)

Particulars	Amount
Balance as at March 31, 2020	2,055.55
Changes in equity share capital during the year	349.57
Balance as at March 31, 2021	2,405.12
Changes in equity share capital during the year (Refer Note 18(v))	962.05
Balance as at March 31, 2022	3,367.17

(B) Other Equity

(₹ in Lakh)

Particulars	Reserve and surplus				Other Comprehensive income		Total - Attributable to owners of the parent (a)	Non-controlling interests (b)	Total (a) + (b)
	Capital reserve	Securities premium	General reserve	Retained earnings	Equity instruments through (FVTOCI)	Cash Flow hedge reserve			
Balance as at April 01, 2020	15,178.69	670.58	9,034.25	(56,206.99)	41,412.50	(156.08)	9,932.94	12,439.85	22,372.79
Profit / (Loss) for the year	-	-	-	(2,914.98)	-	-	(2,914.98)	1,524.81	(1,390.17)
Less: Final dividend paid	-	-	-	(1,202.55)	-	-	(1,202.55)	(150.00)	(1,352.55)
OCI transferred to retained earnings	-	-	-	40,602.28	(40,602.28)	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	(162.36)	-	-	(162.36)	-	(162.36)
Net fair value gain / loss on investment in equity instruments	-	-	-	-	174.99	-	174.99	(7.02)	167.97
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	69.37	69.37	-	69.37
Tax impact	-	-	-	-	(15.27)	(17.46)	(32.73)	-	(32.73)
Balance as at March 31, 2021	15,178.69	670.58	9,034.25	(19,884.60)	969.94	(104.17)	5,864.69	13,807.64	19,672.33
Profit / (Loss) for the year	-	-	-	(1,269.54)	-	-	(1,269.54)	1,460.03	190.49
Additions during the year	-	27,899.34	-	-	-	-	27,899.34	-	27,899.34
Less: Right issue expenses	-	(180.47)	-	-	-	-	(180.47)	-	(180.47)
Less: Final dividend paid	-	-	-	(892.68)	-	-	(892.68)	(100.00)	(992.68)
OCI transferred to retained earnings	-	-	-	-	-	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	55.85	-	-	55.85	-	55.85
Transactions with non-controlling interests	-	-	-	84.77	-	-	84.77	273.69	358.46
Net fair value gain / loss on investment in equity instruments	-	-	-	-	(11.22)	-	(11.22)	(1.56)	(12.77)
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	(136.20)	(136.20)	-	(136.20)
Tax impact	-	-	-	-	(10.93)	29.78	18.85	-	18.85
Balance as at March 31, 2022	15,178.69	28,389.45	9,034.25	(21,906.22)	947.79	(210.59)	31,433.40	15,439.79	46,873.17

Significant accounting policies

1

The above Consolidated Statement of Changes in equity should be read in conjunction with the accompanying notes

2 - 66

In terms of our report attached

For and on behalf of
NXTDIGITAL LIMITED
 CIN : L51900MH1985PLC036896

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Ashish Pandey
 Company Secretary
 FCS No. 6078

Place : Mumbai
 Date : May 18, 2022

Place : Mumbai
 Date : May 18, 2022

Notes to the consolidated financial statements for the year ended March 31, 2022

1. Significant Accounting Policies

1A. General information

Group Background

The Consolidated Financial Statements comprises financial statements of NXTDIGITAL LIMITED (“the Holding Company or the Company”) and its subsidiaries (collectively, the Group) for the year ended March 31, 2022.

The Holding company is a public limited company incorporated and domiciled in India and governed by the Companies Act, 2013 (“Act”). The Company’s registered office is situated at In Centre, 49/50, MIDC, Andheri East, Mumbai – 400 093, Maharashtra, India.

The main activities of the Company span over three segments namely Media and Communication, Real Estate and Investments and Treasury. The Company’s principal business investments are in Media and Communication with primary activity, through its subsidiary, being operation and distribution of television channels through the medium of Cable TV distribution through both the traditional cable platform and the Headend-in-the-Sky (“HITS”) platform including leasing of optic fibre cable, internet connectivity services.

The management of the company has decided during the year ended March 2020, to discontinue its Treasury and Investment segment operations. Accordingly, the related revenue of interest income, dividend income from treasury and investment operations for previous year has been reclassified from ‘Other Operating Revenue’ to ‘Discontinuing operations’. The related Investments in the balance sheet is reclassified from ‘Non-Current financial assets’ to ‘Assets Held for Sale’. The figures for this discontinued business have been disclosed as a separate segment as “Treasury and Investment Operation (Discontinued)” in the segment information.

1B. Significant Accounting Policies

1B.1 Basis of Preparation and Presentation

Compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under sec. 133 of Companies Act 2013 and guidelines issued by the Securities and Exchange Board of India (“SEBI”). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Indian Rupees (₹) which is the functional currency of the Group and all values are rounded to the nearest lakhs, except where otherwise indicated.

Notes to the consolidated financial statements for the year ended March 31, 2022

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities which are controlled by the Company. Control is achieved when the Parent Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Parent Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The significant accounting policies are detailed below.

1B.2 Revenue recognition

The Group has adopted Ind AS 115 "Revenue from Contracts with Customers". The new revenue standard sets forth a single comprehensive model for recognising and reporting revenues. The Company has applied Ind AS 115 using cumulative effect method. The cumulative effect method requires the Company to apply the provisions

Notes to the consolidated financial statements for the year ended March 31, 2022

of Ind AS 115 to those contracts which were not completed as of April 01, 2018 and record an adjustment to the opening balance of retained earnings as of April 01, 2018. Therefore, the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services.

To recognise revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract and
- (5) recognise revenues when a performance obligation is satisfied.

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115. The performance obligations of the Company are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Company evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

Sale of products

The Group recognises revenue on the sale of set top boxes, net of discounts, sales incentives and rebates granted when control of the goods is transferred to the customer. The control of goods is transferred to the customer depending upon the terms agreed with customer. Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on-selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Installation and subscription income

The Group earns its revenue primarily from installation and subscription and related services as an MSO. The subscription income is recognized over the subscription period and the installation revenue is recognized over the period when the Group is expected to realise economic benefits from such installation.

The carriage income is recognized on a straight-line basis.

Other operating revenues are recognized on satisfaction of performance obligation by transferring services (control of asset) to the customer.

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Notes to the consolidated financial statements for the year ended March 31, 2022

Dividend Income

Dividend income from investments is recognized when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Lease Income - Optic Fibre Cable

The policy for recognition of revenue from operating leases is described in **1B.10** below

Other Income

Other income comprises of income from ancillary activities incidental to the operations of the Group and is recognized when the right to receive the income is established as per the terms of the contract.

Contract balances

A contract asset is right to consideration in exchange of services that the Group has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group renders services as per the contract.

1B.3 Foreign currency transactions

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the closing exchange rates prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in statement of profit or loss in the period in which they arise. Any income or expense on account of exchange difference either on settlement or translation of monetary items is recognized in the Statement of profit and loss.

1B.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred. Upfront processing fees and other borrowing cost incurred on loans is amortised over the tenure of the loans.

1B.5 Leases

As Lessor

The Company's lease asset classes primarily consist of leases for Plant and Machinery – Optic Fibre Cable. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognized on a straight-line basis over the lease term. Rental income, based on agreement, is recognized based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Notes to the consolidated financial statements for the year ended March 31, 2022

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

As Lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

1B.6 Employee benefits

Defined contribution plan

Payments to defined contribution plans i.e., Group's contribution to Government administered provident fund, superannuation fund and State plans namely Employees State Insurance and Employees' Pension Scheme other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period when the services are rendered by the employees entitling them to the contributions and the Group has no further obligation beyond making its contribution.

Defined benefit plan

For defined benefit plans i.e., Group's liability towards gratuity (funded and unfunded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance sheet date.

Defined benefit costs are comprised of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- net interest expense or income; and
- re-measurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e., changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss. Past service cost is recognized in statement of profit or loss in the period of a plan amendment.

Notes to the consolidated financial statements for the year ended March 31, 2022

The funded portion of gratuity is funded through a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India.

Other long-term employee benefits

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Provision in respect of such long-term benefits has been made based on actuarial valuation carried out by an independent actuary at the Balance sheet date using Projected Unit Credit method.

Short term employee benefits

A liability is recognized for benefits accruing to employees in respect of salaries, performance incentives, annual leave, medical benefits and other short-term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

1B.6 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax for the year is recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company's tax jurisdiction is India. Judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered for uncertain tax positions.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes to the consolidated financial statements for the year ended March 31, 2022

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Minimum Alternate Tax

MAT credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

1B.7 Property, plant and equipment

Cost

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

'Set Top Boxes ('STBs') issued to customers are capitalized at moving average price on issuance / installation.

'Spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Stores and Spares which meet the definition of property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

Depreciation / amortisation

Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives of the assets specified in Schedule II of the Companies Act, 2013, using the straight-line method except for Set Top Boxes, in which case the useful life has been assessed as eight years based on a technical evaluation, taking into account the nature, of the asset, its estimated usage, the operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Particulars	Estimated Useful life
Plant and machinery	6-18 years
Office Equipment	5 years
Computers	3 years
Set Top Boxes	8 years
Furniture and fixtures	10 years
Vehicles	8 years

Leasehold land is amortised over the balance period of lease in equal annual instalments. Leasehold improvements are amortised over the primary period of lease.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Capital work-in-progress

The Set Top Boxes which are not issued to customers are recorded at moving average price till issued, under Capital work-in-progress.

Certain encoders and other plant and machinery not installed at the consumer premises are categorised under Capital work-in-progress until installed.

Notes to the consolidated financial statements for the year ended March 31, 2022

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

1B.8 Goodwill and other Intangible assets

Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Other intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Useful lives of intangible asset

Estimated useful lives of the intangible asset, based on technical assessment carried out by the management, is as follows:

Classes of Intangible Asset	Useful life
Computer Software (Acquired)	2-6 years
Network rights & License fee	10 years

Other Intangible assets

The company incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 24 months.

De-recognition of intangible assets

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

1B.9 Impairment of tangible and intangible assets

At the end of each reporting period, the Group determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e., higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes to the consolidated financial statements for the year ended March 31, 2022

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

1B.10 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance Lease

Group as Lessor

Assets given under finance leases are recognized as a receivable at an amount equal to the net investment in the lease. Finance income is allocated over the lease term on a systematic and rational basis. This income allocation is based on a pattern reflecting a constant periodic return on the net investment in the finance lease.

Group as Lessee

Minimum lease payments, for assets taken under finance lease, are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating lease

Group as Lessor

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognized on a straight-line basis over the lease term. Rental income, based on agreement, is recognized based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

Group as Lessee

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

1B.11 Inventories

Real Estate (Land) inventories and other inventories such as cables, head-end equipment and other network items like modems, etc. are stated at lower of cost and net realisable value. Cost includes cost of land, registration charges, stamp duty, brokerage costs and incidental expenses. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

1B.12 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Notes to the consolidated financial statements for the year ended March 31, 2022

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

1B.13 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

1B.14 Non-current assets held for sale (Discontinued operation)

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the statement of profit and loss.

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. The Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Upon classification, non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell and are presented separately from the other assets under 'Current Assets' in the balance sheet. Liabilities associated if any, with non-current assets classified as held for sale, are disclosed under 'Current liabilities' in the Balance Sheet.

1B.15 Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition

- (i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Notes to the consolidated financial statements for the year ended March 31, 2022

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Interest Income on such debt instruments is recognized in profit or loss and is included in the "Revenue from Operations".

Currently, the Group has not designated any debt instruments as fair value through other comprehensive income.

- (ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of subsidiaries and associates) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains (e.g. any dividend or interest earned on the financial asset) or losses arising on re-measurement recognized in profit or loss and included in the "Revenue from Operations".

All equity investments (other than investments in subsidiary) in scope of Ind AS 109 are measured at fair value. The Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income (FVTOCI) pertaining to investment in equity instruments. These elected investments are subsequently measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. However, the Group reclassifies the cumulative gain or loss from Reserve for equity instruments through other comprehensive income to retained earnings on disposal of the investments.

The Group has designated certain investment in equity shares as at FVTOCI an irrevocable option for investments on the basis of facts and circumstances that existed at the transition date.

Investments in equity instruments

Investments in equity instruments acquired principally for the purpose of selling it in the near term are considered as equity instruments held for trading and are subsequently measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit and loss.

Impairment of financial assets

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognizing impairment loss (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive, discounted at the original effective interest rate) and credit risk exposure on the following financial assets;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of profit and loss.

Notes to the consolidated financial statements for the year ended March 31, 2022

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative financial instruments

Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Where the hedged item is a time-period related item (such as a currency swap contract hedging foreign currency interest payments) both the deferred hedging gains and losses and the aligned time value are reclassified to profit or loss as the hedged item affects earnings.

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Notes to the consolidated financial statements for the year ended March 31, 2022

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1B.15 Cash and cash equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1B.16 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

1B.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1B.18 Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires the Group's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognized in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Property, plant and equipment depreciation / amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives are generally based on the life prescribed in Schedule II of the Act. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

(ii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the consolidated financial statements for the year ended March 31, 2022

(iii) Operating lease commitments - Group as lessor

The Group has entered into lease agreement for certain plant and machinery. The Company has determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the asset and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

(iv) Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Group determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

(v) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Group used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements such as Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(vi) Estimation of defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligation.

(vii) Provisions, Contingent liabilities and contingent assets

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs.

Contingent assets are not recognized in the financial statements but disclosed where inflow of economic benefits is probable. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(viii) Revenue

The Group's contracts with customers could include promises to transfer multiple services to a customer. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Notes to the consolidated financial statements for the year ended March 31, 2022

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation for bundled contracts. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct service promised in the contract.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

1B.19 Changes in Accounting Standards and other recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts –

Costs of Fulfilling a Contract The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the consolidated financial statements for the year ended March 31, 2022

2 Property, plant and equipment

Particulars	Leasehold land	Leasehold improvements	Buildings and flats (Refer Note No. 1 Below)	Plant and equipments (Refer Note No. 2 below)	Settop boxes	Furniture and fixtures	Vehicles	Office equipments	Computer & data processing units	Total tangible assets
I. Gross carrying amount										
Balance as at April 01, 2020	1.54	510.75	3,181.90	30,902.40	70,944.53	160.96	256.88	471.00	1,011.39	107,441.35
Additions	-	-	-	5,264.72	3,107.28	0.36	-	92.09	519.42	8,983.87
On disposals / written off	-	335.55	-	211.69	22,887.96	30.64	0.45	93.95	287.50	23,847.74
Balance as at March 31, 2021	1.54	175.20	3,181.90	35,955.43	51,163.85	130.68	256.43	469.13	1,243.31	92,577.47
Additions	-	-	58.47	3,764.61	2,859.34	85.63	16.42	61.40	178.97	7,024.85
On disposals / written off	-	-	-	16.10	20,505.41	-	-	-	-	20,521.51
Balance as at March 31, 2022	1.54	175.20	3,240.37	39,703.94	33,517.78	216.31	272.85	530.53	1,422.28	79,080.81
II. Accumulated amortisation and impairment										
Balance as at April 01, 2020	0.03	350.63	312.01	8,574.29	35,664.46	76.19	154.52	378.01	646.59	46,156.73
Depreciation charge during the year	-	20.60	96.92	3,233.68	9,693.89	17.22	33.45	87.26	211.62	13,394.65
On disposals / written off	-	335.55	-	27.21	22,787.29	30.64	0.45	89.16	293.88	23,564.18
Balance as at March 31, 2021	0.03	35.68	408.93	11,780.76	22,571.06	62.77	187.52	376.11	564.33	35,987.20
Depreciation charge during the year	-	19.93	84.92	3,729.76	6,836.99	19.23	31.80	32.36	241.02	10,996.02
On disposals / written off	-	-	-	1.96	14,803.45	-	-	-	-	14,805.41
Balance as at March 31, 2022	0.03	55.61	493.85	15,508.56	14,604.60	82.00	219.32	408.47	805.35	32,177.81
III. Net carrying amount (I-II)										
Net carrying amount as on March 31, 2022	1.51	119.59	2,746.52	24,195.38	18,913.18	134.30	53.53	122.06	616.92	46,903.00
Net carrying amount as on March 31, 2021	1.51	139.52	2,772.97	24,174.67	28,592.79	67.90	68.91	93.02	678.98	56,590.27

Notes:

- Building includes shares in a co-operative society.
- Details of property, plant and equipment hypothecated: First charges over all movable and immovable assets secured for borrowings (Refer note 57)

Notes to the consolidated financial statements for the year ended March 31, 2022

3 Capital work-in-progress

	(₹ in Lakh)
Particulars	Amount
Balance as at April 01, 2020	1218.65
Add:- Additions during the year	2,669.74
Less:- Charged to consumption	(129.00)
Less:- Capitalised during the year	(2,760.00)
Balance as at March 31, 2021	999.39
Add:- Additions during the year	3,153.99
Less:- Charged to consumption	(6.66)
Less:- Capitalised during the year	(3,521.11)
Balance as at March 31, 2022	625.61

Ageing Schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
March 31, 2022					
Projects in progress	532.83	90.70	2.08	-	625.61
Total	532.83	90.70	2.08	-	625.61
March 31, 2021					
Projects in progress	710.57	71.82	3.57	213.42	999.39
Total	710.57	71.82	3.57	213.42	999.39

Note:

The projects that were progress for more than 3 years as on March 31, 2021 have been capitalised during the year.

4 Investment Properties

	(₹ in Lakh)
Particulars	Total
Gross carrying value	
Balance as at 1 April 2020	-
Additions	-
Disposals/ discarded/ written off	-
Balance as at 31 March 2021	-
Additions	202.71
Disposals/ discarded/ written off	-
Balance as at March 31, 2022	202.71
Accumulated amortisation	
Balance as at 1 April 2020	-
Charge for the year	-
Disposals	-
Balance as at 31 March 2021	-
Charge for the year	1.69
Disposals	-
Balance as at March 31, 2022	1.69
Net carrying value	
Balance as at March 31, 2022	201.02
Balance as at March 31, 2021	-

Notes to the consolidated financial statements for the year ended March 31, 2022

Information regarding income and expenditure of Investment property

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Rental income derived from Investment property	3.50	-
Direct operating expenses	-	-
Profit arising from Investment property	3.50	-
Less : Depreciation	(1.69)	-
Profit / (Loss) arising from Investment property	1.81	-

Fair value

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment properties	201.02	-

5 Right to use asset

(Movement in net carrying value)

(₹ in Lakh)

Particulars	Total
Gross carrying value	
Balance as at 1 April 2020	11,253.25
Additions	8,560.21
Disposals/ discarded/ written off	1,143.30
Balance as at 31 March 2021	18,670.16
Additions	20,810.27
Disposals/ discarded/ written off	763.90
Balance as at March 31, 2022	38,716.53
Accumulated amortisation	
Balance as at 1 April 2020	355.25
Charge for the year	3,260.76
Disposals	1,137.73
Balance as at 31 March 2021	2,478.28
Charge for the year	7,049.75
Disposals	34.20
Balance as at March 31, 2022	9,493.83
Net carrying value	
Balance as at March 31, 2022	29,222.70
Balance as at March 31, 2021	16,191.88

Note :

- The Group's leases comprise of lease of transponder, premises and set-top boxes

Notes to the consolidated financial statements for the year ended March 31, 2022

6 Other intangible assets

									(₹ in Lakh)
Particulars	Network rights	Computer software	License fee	Movie rights#	Customer relationships	Trade name	Marketing Collateral	Other Intangibles	Total
I. Gross carrying amount									
Balance as at 1 April 2020	5,213.91	6,882.82	1,023.71	10,539.38	10,680.00	3,820.00	-	-	38,159.82
Additions	1,452.83	597.50	-	-	-	-	14.14	-	2,064.46
On disposals / written off	1,563.05	512.08	-	-	-	-	-	-	2,075.13
Balance as at March 31, 2021	5,103.69	6,968.23	1,023.71	10,539.38	10,680.00	3,820.00	14.14	-	38,149.15
Additions	2,038.10	694.55	-	189.57	-	-	-	705.63	3,627.85
On disposals / written off	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	7,141.79	7,662.79	1,023.71	10,728.95	10,680.00	3,820.00	14.14	705.63	41,777.01
II. Accumulated amortisation and impairment									
Balance as at 1 April 2020	2,120.21	3,133.73	478.27	585.00	754.26	269.78	-	-	7,341.25
Amortisation charge during the year	828.06	995.41	102.37	246.95	1,186.67	382.00	1.22	-	3,742.68
On disposals / written off	1,563.05	512.08	-	-	-	-	-	-	2,075.13
Balance as at March 31, 2021	1,385.23	3,617.05	580.64	831.95	1,940.93	651.78	1.22	-	9,008.80
Amortisation charge during the year	429.90	1,043.18	102.37	959.97	1,186.67	382.00	3.69	174.73	4,282.51
On disposals / written off	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	1,815.12	4,660.24	683.01	1,791.92	3,127.59	1,033.78	4.91	174.73	13,291.31
III. Net carrying amount (I-II)									
Net carrying amount as on March 31, 2022	5,326.67	3,002.55	340.70	8,937.03	7,552.41	2,786.22	9.23	530.90	28,485.71
Net carrying amount as on March 31, 2021	3,718.46	3,351.18	443.07	9,707.43	8,739.07	3,168.22	12.92	-	29,140.36

#Refer note 58 (b)

Notes:

Details of intangibles hypothecated:

First charge over all intangible assets secured for borrowing (Refer note 57)

		(₹ in Lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
7 Goodwill			
Balance at the beginning of the period	13,232.03	13,232.03	
Add: Addition on business combination	-	-	
Less: written off on sale of investment in subsidiaries	-	-	
Less: written off pertaining to investment in subsidiaries	-	-	
	13,232.03	13,232.03	

The Group assessed the recoverable amount of goodwill allocated to cable television and broadband business as per the requirement of Ind As 36 - Impairment of asset based of value in use, determined by an independent valuer. The estimated value in use of this CGU is based on the future cash flows using a 3% and 5% terminal growth rate, respectively and discount rate from 14% to 18%. an analysis of the sensitivity of the computation to the change in key assumptions, based on a reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of goodwill (net) of the CGU would decrease below its carrying amount.

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Face value per share in ₹	As at March 31, 2022		As at March 31, 2021	
		Number of shares	Amount	Number of shares	Amount
8 Investments					
A. Unquoted - Investment in Equity shares (at fair value through OCI)					
Uactive Technology Private Limited	10	1,769	20.00	1,769	20.00
Alkymia	Euro 1	340	337.40	340	337.40
Hinduja Leyland Finance Limited		-	-	-	-
Others			0.88		0.88
B. Unquoted- Investment in Preference shares (at fair value through OCI)					
Elemental Labs Private Limited	100	242	38.39	242	38.39
Less: Adjustment towards diminution in value of Investment			(38.39)		(38.39)
Total (a)			358.28		358.28
C. Unquoted - Investment in Government securities (measured at Cost)					
National Saving Certificate VIII Series Under lien with the Sales Tax Department			0.05		0.05
Total (b)			0.05		0.05
Total (c)= (a) + (b)			358.33		358.33
D. Quoted Investments in equity instruments (at fair value through OCI)					
GOCL Corporation Limited	2.00	1,916	5.22	1,916	4.17
Gulf Oil Lubricants India Limited	2.00	1,916	8.05	1,916	13.98
IndusInd Bank Limited	10.00	33,400	312.49	33,400	318.90
VCK Capital Market Services Limited	10.00	24,007	-	24,007	1.46
Less: Reclassified as held for sale (Refer note 17)			(87.21)		(95.13)
Total (d)			238.55		243.38
Total non-current investments (e) = (c) + (d)			596.88		601.70
Aggregate carrying amount of unquoted investments			358.33		358.33
Aggregate market value of quoted investments			238.55		243.38

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Face value per share in ₹	As at March 31, 2022		As at March 31, 2021	
		Number of shares	Amount	Number of shares	Amount
8A Other investments (current)					
Investments in equity instruments (at fair value through Profit and Loss)					
A. Quoted equity shares (fully paid up)					
IndusInd Bank Limited	10.00	104,402	976.82	104,402	996.75
GOCL Corporation Limited	2.00	11,250	30.66	11,250	24.48
Gulf Oil Lubricants India Limited	2.00	11,250	47.25	11,250	82.10
Less: Reclassified as held for sale (Refer note 17)			(438.96)		(447.94)
Total current investments			615.77		655.39
Aggregate market value of quoted investments			615.77		655.39

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
9 Loans (Non current)		
Others	350.00	349.64
	350.00	349.64
9A Loans (Current)		
Unsecured considered good		
Inter corporate deposits*#	8,329.00	5,710.02
Others loans	131.00	266.70
Loans and advances to employees	-	22.45
	8,459.99	5,999.18

No loans are due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Rate of interest
Related Parties*			
As at March 31, 2022	8,329.00		
Hinduja Finance Limited	6,811.00	80.51%	8.35% - 11.25%
Cyqurex Systems Private Limited	1,518.00	17.94%	11.25%
As at March 31, 2021	5,710.02		
Hinduja Finance Limited	5,460.02	91.01%	11.25%
Cyqurex Systems Private Limited	250.00	4.17%	11.25%

* Interest accrued but not due of ₹ 21.04 lakhs pertaining to related party

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
10 Other financial assets (Non Current)		
(Unsecured considered good unless otherwise stated - at amortised cost)		
Security deposits	1,252.96	297.83
Other deposits	-	0.37
Balances with banks in deposit accounts with original maturity of more than twelve months	4,069.76	135.15
	5,322.72	433.35
10A Other financial assets (Current)		
(Unsecured considered good unless otherwise stated - at amortised cost)		
Other receivables	77.92	250.70
Security deposits	190.34	199.54
Interest accrued on inter-corporate deposits	22.71	-
Advance to related parties	14.75	-
Income receivable	8.57	-
Interest on fixed deposits	105.41	-
Other deposits	71.03	-
	490.73	450.24
11 Other non-current assets		
Unsecured, considered good unless stated otherwise		
Deposits with government authorities	3,230.90	2,700.66
Capital advances		
-Other advances to suppliers	26.02	77.99
Prepaid expense	405.35	84.95
Other loans and advance	21.86	33.41
	3,684.12	2,897.01
11A Other current assets		
Unsecured, considered good unless stated otherwise		
Advance to vendors	434.99	629.38
Recoverable from statutory authorities	4,813.99	5,032.97
Prepaid expenses	1,247.39	743.16
Others*	230.75	507.41
	6,727.12	6,912.92
*Includes ₹ 189.51 lakhs (March 2021 : ₹ 169.91 lakhs) of excess contribution to gratuity fund		
12 Inventories		
(at lower of cost and net realisable value)		
Land (Refer note 40)	1,201.80	3,719.32
Stock of network cable, equipments and traded goods	1,074.11	695.78
Media Inventory	158.76	184.76
	2,434.67	4,599.86
Note: Inventories of the component company are secured against borrowings (Refer note 57)		

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
13 Trade receivables (Current)		
Unsecured considered good	7,863.47	7,076.18
Receivables from related parties (Refer note 48)	12.85	41.79
Credit impaired	2,619.16	756.36
	10,495.48	7,874.33
Less: Allowance for expected credit loss	(2,619.16)	(756.36)
	7,876.32	7,117.97

The average credit period of receiving the trade receivables is 90 days. No interest is charged on outstanding balance of trade receivables. No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Nor any trade or other receivables are due from firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner or a director or a member.

Note: Trade receivables of the component company is secured against borrowings (Refer note 57)

Particulars	Not due	Outstanding for following periods from due of payments					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2022							
(i) Undisputed Trade Receivable - considered good	165.26	4,359.48	1,742.47	671.84	15.91	748.78	7,703.74
(ii) Undisputed Trade Receivable - credit impaired	-	124.23	762.28	502.62	115.34	47.62	1,552.09
(iii) Disputed Trade Receivable - considered good	-	169.92	2.66	-	-	-	172.58
(iv) Disputed Trade Receivable - credit impaired	-	-	0.30	508.78	347.26	210.75	1,067.07
Total	165.26	4,653.64	2,507.70	1,683.24	478.50	1,007.15	10,495.48
As at March 31, 2021							
(i) Undisputed Trade Receivable - considered good	-	4,117.92	1,027.53	762.11	77.00	738.67	6,723.24
(ii) Undisputed Trade Receivable - credit impaired	-	85.08	101.25	127.37	13.68	40.04	367.43
(iii) Disputed Trade Receivable - considered good	-	16.52	105.76	193.79	78.67	-	394.73
(iv) Disputed Trade Receivable - credit impaired	-	1.18	7.52	211.22	169.01	-	388.93
Total	-	4,220.70	1,242.07	1,294.49	338.36	778.71	7,874.33

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
14 Derivative assets (Current)		
(Unsecured, considered good - measured at fair value through profit and loss)		
Interest rate swap	-	8.29
	-	8.29

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
15 Cash and cash equivalents		
Balances with banks		
- in current accounts	2,330.41	635.11
- in deposit accounts with original maturity of less than three months	385.95	211.12
- debit balance of cash credit facility	-	202.53
Cheques on hand	65.70	129.70
Cash on hand	93.97	128.05
	2,876.04	1,306.52
16 Other bank balances		
Balances with banks		
- in deposit accounts *	174.81	1,038.00
- in deposit accounts with original maturity within twelve months*	1,790.92	449.71
- in unpaid dividend accounts	141.41	61.41
- in Escrow account **	-	7,950.00
	2,107.14	9,499.12

Fixed deposits and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

*under lien with banks and other parties for availment of buyers' credit and other loans

** towards payable to foreign vendor, pending approval of Ministry of Information and Broadcasting, Department of Government of India.

17 Financial Assets classified as held for sale

Particulars	Face value per share in ₹	As at March 31, 2022		As at March 31, 2021	
		Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Investments in equity instruments at fair value through other comprehensive income:					
A. Quoted equity shares (fully paid up)					
GOCL Corporation Limited	2.00	1,916	5.22	1,916	4.17
Gulf Oil Lubricants India Limited	2.00	1,916	8.05	1,916	13.98
IndusInd Bank Limited	10.00	7,900	73.94	7,900	75.52
VCK Capital Market Services Limited	10.00	24,007	-	24,007	1.46
Total I			87.21		95.13
Investments in equity instruments at fair value through profit and loss:					
A. Quoted equity shares (fully paid up)					
IndusInd Bank Limited	10.00	46,902.00	438.96	46,902.00	447.94
Total II			438.96		447.94
Total investments - Held for Sale			526.17		543.08
Liabilities associated with Financial Assets classified as held for sale			-		-
Net assets classified as held for sale			526.17		543.08

Notes to the consolidated financial statements for the year ended March 31, 2022

18 Equity share capital

Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Authorised				
Equity shares of ₹ 10 each	87,000,000	8,700	87,000,000	8,700.00
Preference Shares of ₹ 10 each	3,000,000	300	3,000,000	300.00
9.50% Preference Shares of ₹ 100 each	1,000	1	1,000	1.00
Total	90,001,000	9,001	90,001,000	9,001
Issued, subscribed and paid up				
Equity shares of ₹10 each fully paid	33,671,621	3,367.17	24,051,158	2,405.12
Total	33,671,621	3,367.17	24,051,158	2,405.12

i) Rights, Preferences and Restrictions attached to equity shares including restrictions on the distribution of dividends and the repayment of capital:

- i) Right to receive dividend as may be approved by the Board of Directors / Shareholders at the Annual General Meeting.
- ii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- iii) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak or e-vote and on a show of hands, has one vote if he is present and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

ii) Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	24,051,158	2,405.12	20,555,503	2,055.55
Add: Issued for acquisition of business (Refer note (iv) below)	-	-	3,495,655	349.57
Add: Rights issue during the year (Refer note (v) below)	9,620,463	962.05	-	-
Shares outstanding at the end of the year	33,671,621	3,367.17	24,051,158	2,405.12

iii) Shares in the Company held by each shareholder holding more than 5% shares:

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
Hinduja Group Limited*	13,926,836	41.36%	8,550,572	35.55%
Amas Mauritius Limited	3,170,530	9.42%	3,170,530	13.18%
Indusind International Holdings Limited	2,193,315	6.51%	1,566,654	6.51%
Asia Corporation LLP	1,400,879	4.16%	1,400,879	5.82%

* including shares held jointly with Hinduja Realty Ventures Limited, partner of Asia Exports

Notes to the consolidated financial statements for the year ended March 31, 2022

- iv) Pursuant to the Scheme of Arrangement (the 'scheme'), duly sanctioned by the National Company Law Tribunal vide Order dated 21 August 2020 with effect from the Appointed Date i.e., October 1, 2019, the Media and Communication undertaking of Indusind Media & Communications Limited (subsidiary company), stands transferred to the Company. In accordance with the scheme, the Company had issued 10 fully paid up equity shares for every 125 shares held by the other shareholders of the subsidiary company.
- v) The Board of Directors of the Company at their meeting held on May 13, 2021 had approved fund raising by way of a Rights Issue equity shares and on December 04, 2021 had approved issue and allotment of 96,20,463 equity shares of face value of ₹ 10 each (the "Rights Equity Shares") at a price of ₹ 300 per Rights Equity Share (including premium of ₹ 290 per Rights Equity Share), aggregating to ₹ 28,861.39 Lakhs, in the ratio of 2 Rights Equity Shares for every 5 existing fully-paid shares held by the eligible equity shareholders as on the Record Date i.e. October 25, 2021.

As per the letter of offer, Rights issue proceeds can be utilised for repayment/prepayment of outstanding borrowings along with interest and general corporate purposes. As on March 31, 2022, entire Rights issue proceeds were utilised and there is no deviation in use of proceeds from the objects stated in the Offer document for the Rights issue.

Particulars	Amount
Conversion of ICD availed from Group companies into Equity	18,380.39
Part repayment of Term Loan from Bank	7,792.00
General Corporate Purpose – Fixed Deposit placed for issuing Bank Guarantee	2,000.00
Right Issue expenses/General corporate purposes	689.00
Total	28,861.39

vi) Shareholding of promoters

Shares held by promoters as at March 31, 2022			% change during the year
Promoter Name	No. of shares	% of total shares	
Hinduja Group Limited J/W With Hinduja Realty Ventures Ltd. (Aasia Exports)	1,913,123	5.68%	-2.27%
Hinduja Group Limited	12,013,713	35.68%	8.08%
Aasia Corporation LLP	1,400,879	4.16%	-1.66%
Hinduja Finance Limited	-	0.00%	-0.42%
Ashok Parmanand Hinduja	745,476	2.21%	0.00%
Harsha Ashok Hinduja	708,747	2.10%	0.14%
Ambika Ashok Hinduja	265,862	0.79%	0.05%
Hinduja Properties Limited	212,843	0.63%	-0.25%
Shom Ashok Hinduja	210,010	0.62%	0.04%
Vinoo Srichand Hinduja	61,065	0.18%	-0.07%
A P Hinduja	81,490	0.24%	0.02%
Ashok Parmanand Hinduja	67,969	0.20%	0.01%
Ashok P Hinduja	47,400	0.14%	0.01%
Harsha Ashok Hinduja	25,043	0.07%	0.00%
Shanoo S. Mukhi	955	0.00%	0.00%
Hinduja Realty Ventures Limited	850,386	2.53%	2.53%
Amas Mauritius Limited	3,170,530	9.42%	-3.77%

Notes to the consolidated financial statements for the year ended March 31, 2022

19 Other equity

(₹ in Lakh)

Particulars	Reserve and surplus				Other Comprehensive Income		Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Equity instruments through (FVTOCI)	Cash Flow hedge reserve	
Balance as at April 01, 2020	15,178.69	670.58	9,034.25	(56,206.99)	41,412.50	(156.08)	9,932.94
Loss for the year	-	-	-	(2,914.98)	-	-	(2,914.98)
Less: Final dividend paid	-	-	-	(1,202.55)	-	-	(1,202.55)
OCI transferred to retained earnings	-	-	-	40,602.28	(40,602.28)	-	-
Re-measurement of defined benefit plans	-	-	-	(162.36)	-	-	(162.36)
Net fair value gain / loss on investment in equity instruments	-	-	-	-	174.99	-	174.99
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	69.37	69.37
Tax impact	-	-	-	-	(15.27)	(17.46)	(32.73)
Balance as at March 31, 2021	15,178.69	670.58	9,034.25	(19,884.59)	969.94	(104.17)	5,864.69
Loss for the year	-	-	-	(1,269.54)	-	-	(1,269.54)
Additions during the year	-	27,899.34	-	-	-	-	27,899.34
Less: Right issue expenses	-	(180.47)	-	-	-	-	(180.47)
Less: Final dividend paid	-	-	-	(892.68)	-	-	(892.68)
OCI transferred to retained earnings	-	-	-	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	55.85	-	-	55.85
Transactions with non-controlling interests	-	-	-	84.77	-	-	84.77
Net fair value gain / loss on investment in equity instruments	-	-	-	-	(11.22)	-	(11.22)
Effective portion of gain / (loss) on hedging instrument in cash flow hedges	-	-	-	-	-	(136.20)	(136.20)
Tax impact	-	-	-	-	(10.93)	29.78	18.85
Balance as at March 31, 2022	15,178.69	28,389.45	9,034.25	(21,906.22)	947.79	(210.59)	31,433.40

Description of nature and purpose of reserves:

(i) Capital reserve:

Excess of Net assets acquired over consideration paid / payable and equity component of preference share issued by the Company.

(ii) Securities premium:

This reserve represent the premium on issue of shares and can be utilised in accordance with the provision of the Companies Act, 2013.

(iii) Retained earnings:

This reserve represents the surplus / (deficit) of the statement of profit and loss. The amount can be distributed by the company as dividends to its equity shareholders and is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

(iv) Reserve for equity instruments measured at fair value through other comprehensive income (FVTOCI):

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(v) Remeasurement gain / (loss) on defined benefit obligations:

The company has recognised remeasurement loss on defined benefit plans in other comprehensive income (OCI). These changes are accumulated within the OCI reserve within Other equity. The company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

Notes to the consolidated financial statements for the year ended March 31, 2022

20 Non-controlling Interests

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	13,807.66	12,439.85
Profit / (Loss) for the year	1,460.03	1,524.81
Other comprehensive income for the year, net of tax	-	-
Transactions with non-controlling interests	273.69	-
Additional capital issued	-	-
Net fair value gain / loss on investment in equity instruments	(1.56)	(7.02)
Dividend paid	(100.00)	(150.00)
Total	15,439.79	13,807.64

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
21 Borrowings (Non current)		
Secured - at amortised cost		
Term loans		
- From banks and financial institutions *	13,443.76	23,180.34
Other loan	15.36	477.71
	13,459.12	23,658.05

*For nature of security and terms of repayment of borrowings, refer note 57.

21A Borrowings (Current)

Secured *- at amortised cost

Loans repayable on demand from banks

- Working capital demand loan

2,000.00 2,000.00

- Buyers credit from banks*

- 628.74

Other loans from banks

37.65 51.15

Current maturities of long-term debts (Refer note 57)

- from banks and financial institutions*

2,942.00 5,821.56

- other loans

443.38 261.42

Unsecured - at amortised cost

Loans from related parties (Refer note 48)

69,989.34 63,198.02

Loans from other parties

1,700.00 848.50

77,112.37 **72,809.39**

*For nature of security and terms of repayment of borrowings, refer note 57.

22 Other financial liabilities (Non Current)

Security deposits

390.00 390.00

Payable towards LC

1,312.22 -

1,702.22 **390.00**

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
22A Other financial liabilities (current)		
Interest accrued but not due on borrowings	258.03	294.60
Payable on purchase of property, plant and equipments other than micro and small enterprises	3,691.29	1,960.98
Unclaimed dividends #	141.41	61.41
Book overdraft	479.23	13,327.74
Salary payable	1,296.01	1,616.14
Security deposits	399.74	397.70
	6,265.71	17,658.57
# There are no amounts due and outstanding to be credited to investor education and protection fund.		
23 Provisions (Non-current)		
Provision for employee benefits (Refer note 49)		
Compensated absences	788.13	835.58
Gratuity	80.02	92.95
	868.15	928.53
23A Short-term provisions		
Provision for employee benefits (Refer note 49)		
Compensated absences	109.49	101.55
Gratuity	56.54	61.26
	166.03	162.81
24 Deferred income - Non Current		
Income received in advance	75.92	377.88
	75.92	377.88
24A Deferred income - Current		
Income received in advance	4,384.61	4,516.04
Advance from customers	900.09	1,042.52
	5,284.70	5,558.56
25 Trade Payables (Current)		
a) Total outstanding dues of micro enterprises and small enterprises (Refer note 54)	145.76	81.00
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	13,970.51	24,483.66
- Related parties (Refer note 48)	2,274.41	297.44
	16,390.68	24,862.10

Notes to the consolidated financial statements for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due of payments				Total
		Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
As at March 31, 2022						
MSME						
Disputed	-	-	-	-	-	-
Undisputed	-	145.76	-	-	-	145.76
Others						
Disputed	-	-	-	-	-	-
Undisputed	5,788.02	8,329.64	624.33	318.96	1,183.96	16,244.92
Total	5,788.02	8,475.40	624.33	318.96	1,183.96	16,390.68
As at March 31, 2021						
MSME						
Disputed	-	-	-	-	-	-
Undisputed	-	77.51	0.02	1.33	2.14	81.00
Others						
Disputed	-	691.59	3,647.61	3,270.00	1,350.00	8,959.20
Undisputed	6,637.36	6,791.82	212.64	80.18	2,099.91	15,821.91
Total	6,637.36	7,560.92	3,860.27	3,351.51	3,452.04	24,862.10

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
26 Derivative liabilities (Current)		
Forward exchange contracts	43.42	-
	43.42	
27 Current tax liabilities (net) (Current)		
Provision for tax (net of Advance tax)	22.08	138.81
Total	22.08	138.81
28 Other current liabilities		
Statutory dues payable	1,950.45	1,499.41
Others	386.18	487.29
	2,336.63	1,986.70

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
29 Revenue from operations		
Sale of products		
- Traded Goods	12,447.21	3,344.38
- Sale of set top boxes (net)	380.82	2,196.60
Sale of services		
- Subscription - direct / cable operators	51,256.71	55,257.82
- Installation charges	2,061.66	6,137.99
- Internet Service	23,341.67	14,397.82
- Channel placement fees	9,942.74	7,556.01
- LCN Incentive	4,548.07	3,983.37
- Network Operations	871.85	907.31
- Sale of Film Rights	17.60	551.96
- Infrastructure charges	120.72	129.09
Other operating revenues		
- Technical advisory fees	35.65	42.51
- Commission income	3.60	95.46
- Assignment of movie rights	1,205.25	1,200.00
- Advertisement income	542.53	524.19
- Other lease income	1,203.86	1,163.64
Total	107,979.95	97,488.15

While the Group believes strongly that it has a rich portfolio of services, the impact on future revenue streams could come from resource constraints or their services no-longer being availed by their customers due to pro-longed lock-down situations and the customers postponing their discretionary spends due to change in priorities.

The Group has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

30 Other income

Interest income on:

- income tax refund	138.13	88.61
- deposits with banks	270.54	126.17
- other deposits	993.48	1,308.36
- Sales tax	-	20.23

Dividend income:

- from quoted equity investments measured at FVTPL/FVTOCI	2.11	3.54
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Lease income

	924.84	445.96
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Fair value gains on :

- net gain on financial instruments at fair value through profit or loss	10.93	351.81
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Unwinding of security deposits	40.22	18.05
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Net gain on sale of Property, plant and equipment	921.28	43.99
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Income from marketing & promotional activities	-	99.68
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Sundry credit balances no longer required written back	3,760.55	357.94
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Bad debts recovered	7.29	301.34
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Provision for doubtful debts no longer required written back (net)	-	34.83
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Sale of scrap	52.00	-
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Miscellaneous income	117.28	156.41
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Total	7,238.63	3,356.93
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Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
31 Changes in inventories		
At the beginning of the year		
Land	3,719.32	3,719.32
Network cable, equipment and traded goods	695.78	472.05
Media inventory	184.76	458.65
	4,599.86	4,650.02
At the end of the year		
Land	(1,201.80)	(3,719.32)
Network cable, equipment and traded goods	(1,074.11)	(695.78)
Media inventory	(158.76)	(184.76)
	(2,434.67)	(4,599.86)
Total	2,165.19	50.16
32 Operating expenses		
Subscription - pay channels	39,391.68	39,054.33
Lease rental - duct	107.72	357.62
Bandwidth charges	7,017.15	3,161.07
Link charges	126.00	170.39
Installation expenses	108.04	109.60
Maintenance Charges	528.43	389.65
Distribution and operation charges	360.00	360.00
Fiber charges/ infrastructure fees	4,567.50	1,597.74
Total	52,206.53	45,200.41
33 Employee benefits expense		
Salary, wages and bonus	6,865.85	7,275.15
Contribution to provident and other funds (refer note 49)	449.55	454.26
Gratuity expense (Refer note no. 49)	95.44	115.35
Staff welfare expenses	217.18	163.88
Total	7,628.01	8,008.65
34 Finance costs		
Interest expense on :		
- term loans	2,145.69	3,193.58
- other loans	289.71	1,691.74
- intercorporate deposit	8,030.84	7,564.97
- lease liability (Refer note 45)	2,637.47	1,418.80
- delayed payment of taxes and others	137.89	25.07
Other borrowing costs :	-	-
- amortisation of loan processing fees	270.19	349.06
- financial Liabilities carried at FVTPL	28.44	-
- other cost	71.83	22.61
Total	13,612.05	14,265.84

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
35 Depreciation and amortisation expense		
- Property, plant and equipment (Refer note 2)	10,996.02	13,394.65
- Investment Properties (Refer note 4)	1.69	-
- Right to use assets (Refer note 5)	7,049.75	3,260.76
- Other intangible assets (Refer note 6)	4,282.51	3,742.68
Total	22,329.98	20,398.08
36 Other expenses		
Contract - services	4,811.41	4,791.51
Commission	5,766.71	5,806.28
Repairs :		
- machinery	974.83	943.83
- building and others	476.18	352.87
Rent (Refer note 45)	545.59	572.47
Power and fuel	1,079.81	942.99
Legal and professional fees	894.84	997.50
Royalty	692.85	671.61
Travelling and conveyance	481.50	368.72
Call centre charges	284.09	292.17
Communication	318.71	353.57
Bank charges	439.04	719.01
Business promotion	397.74	345.14
Security charges	207.77	181.79
Software charges	381.35	315.60
Insurance	214.26	197.20
Rates and taxes	828.53	358.87
Foreign currency fluctuations (net)	973.75	348.36
Fair valuation of derivatives	-	(1.77)
Payment to Cost auditor	-	0.58
Payment to auditor:		
- Statutory auditor *	84.21	92.94
Freight and transportation charges (net)	72.02	42.51
Director's fees#	249.65	221.15
Technical and management fees	133.25	-
Amortisation of security deposit	44.30	15.88
Advances and deposits written-off	259.75	416.25
Bad debts / advance written-off	172.99	378.57
Provision for doubtful debts	1,862.80	255.58
Fair value loss on financial asset measured through profit & loss	10.95	-
Corporate social responsibility (Refer note 39)	41.85	-
Miscellaneous expenses	405.51	594.74
Total	23,106.23	20,575.92

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
* Statutory Auditor		
As auditor		
Audit and limited review fee**	84.16	92.94
In other capacity		
Other services	-	-
Reimbursement of expenses	0.05	-
Total	84.21	92.94

** The above excludes fees of ₹ 35 lakhs paid to auditors of the Holding Company for certification services for right issue, which is considered as a part of share issue expenses

Above excludes fees of ₹ 12 lakhs paid to the directors of the Holding Company in respect to the meeting held for rights issue, which is considered as a part of share issue expenses

37 Tax expense

(a) Amounts recognised in profit and loss

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operation:		
Current income tax	217.34	255.98
Deferred tax charge / (credit)	(10,738.30)	(10,074.78)
Short provision for tax relating to prior years	4.01	(0.98)
Discontinuing operation:		
Current income tax	-	-
Deferred tax charge / (credit)	(2.26)	71.27
Short provision for tax relating to prior years	-	-
Tax expense / (credit) for the year	(10,519.21)	(9,748.51)

(b) Income tax recognised in other comprehensive income (OCI)

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operation:		
Current income tax (OCI)	-	-
Deferred Tax	(16.33)	28.12
Discontinuing operation:		
Current income tax (OCI)	-	-
Deferred Tax	(2.52)	4.61
Tax expense / (credit) for the year	(18.85)	32.73

Notes to the consolidated financial statements for the year ended March 31, 2022

(c) Reconciliation of effective tax rate

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Loss before tax	(10,328.72)	(11,138.69)
Tax using the Company's domestic tax rate (Current year and Previous year : 25.168%)	(2,599.53)	(2,803.38)
Tax effect of:		
Expenses disallowed for tax purpose	-	-
Deferred Tax on OCI Transfer to P & L	-	(545.73)
Deferred tax assets not created	(15.07)	(128.45)
Deferred tax assets created on losses	(9,393.75)	(6,172.38)
LTCG (OCI) adjusted against CYBL	-	573.98
Impact of tax rate difference	84.67	-
Others	1,497.80	73.06
Effect of unused tax losses/ MAT Credit utilised during the year	(97.34)	(745.61)
Short provision for earlier years	4.01	-
Income tax expense	(10,519.21)	(9,748.53)

(d) The major components of deferred tax (liabilities) / assets arising on account of temporary differences are as follows:

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax assets:		
Property, plant and equipment	491.18	770.08
Liabilities to be deducted for tax purposes when paid	246.22	243.54
Derivative Liability	17.17	-
Deferment of installation revenue & straightlining of subscription expenses	109.38	1,006.27
Gain / (Loss) on equity instrument designated as FVTPL	68.78	74.48
Cash Flow hedge reserve	12.32	-
Mat Credit Entitlement	-	-
Business losses as per Income Tax	32,146.30	20,245.75
Amalgamation expenses	66.97	46.35
IND AS 116 - Leases	-	445.10
Provision for foreseeable losses	653.21	204.29
	33,811.52	23,035.85
Deferred tax liabilities:		
Property, plant and equipment	19.18	8.90
Derivative Liability	-	2.09
Cash Flow Hedge reserve	-	17.46
Gain / (Loss) on equity instrument designated as FVOCI	35.73	38.51
IND AS 116 - Leases	171.00	-
Unamortised borrowing cost	56.00	101.38
	281.92	168.34
Deffered Tax Assets (Net)	33,529.60	22,867.52

Notes to the consolidated financial statements for the year ended March 31, 2022

(e) Movement in deferred tax asset / (liabilities)

Particulars	As at April 01, 2021	During the year 2021-22			As at March 31, 2022
		Recognised in Retained Earnings	Recognised in profit or loss	Recognised in OCI	
Deferred tax asset/ (Liabilities) - Net					
Property, plant and equipment	761.18	-	(289.18)	-	472.00
Liabilities to be deducted for tax purposes when paid	243.54	-	16.14	(13.45)	246.22
Derivative Liability	(2.09)	-	19.26	-	17.17
Deferment of installation revenue & straightlining of subscription expenses	998.33	-	(888.95)	-	109.38
Business losses/ Depreciation as per Income Tax	20,245.75	-	11,900.55	-	32,146.30
Lease ind AS 116	445.10	-	(616.11)	-	(171.00)
Provision for foreseeable losses	212.24	-	440.97	-	653.21
Gain / (Loss) on equity instrument designated as FVTPL	74.48	-	(5.70)	-	68.78
Gain / (Loss) on equity instrument designated as FVTOCI	(38.51)	-	0.26	2.52	(35.73)
Unamortised borrowing cost	(101.38)	-	45.38	-	(56.00)
Amalgamation expenses	46.35	-	20.62	-	66.97
Cash Flow hedge Reserves	(17.46)	-	-	29.78	12.32
Total	22,867.52	-	10,643.23	18.85	33,529.60
Utilisation of MAT Credit in a subsidiary	-	-	95.07	-	
Net deferred tax asset / (liabilities)	22,867.52	-	10,738.30	18.85	33,529.60

Note : During the year, based on revised projections of business operations for the financial year 2022-2023, the Holding Company has recognised ₹4,310.00 lakhs as additional deferred tax asset on unabsorbed business losses to the extent it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits will be utilised.

(f) Movement in deferred tax asset / (liabilities)

Particulars	As at April 01, 2020	During the year 2020-21			As at March 31, 2021
		Recognised in Retained Earnings	Recognised in profit or loss	Recognised in OCI	
Deferred tax asset/ (Liabilities) - Net					
Property, plant and equipment	915.02	-	(153.84)	-	761.18
Liabilities to be deducted for tax purposes when paid	224.85	-	29.34	(10.66)	243.54
Derivative Liability	(524.75)	-	522.66	-	(2.09)
Deferment of installation revenue & straightlining of subscription expenses	2,086.93	-	(1,088.60)	-	998.33
Business losses/ Depreciation as per Income Tax	10,623.55	-	9,622.20	-	20,245.75
Leases Ind AS 116	124.28	-	320.82	-	445.10
Mat credit entitlement	131.89	-	(131.89)	-	-
Provision for foreseeable losses	68.00	-	144.24	-	212.24
Gain / (Loss) on equity instrument designated as FVTPL	113.34	-	(38.86)	-	74.48
Gain / (Loss) on equity instrument designated as FVTOCI	(578.74)	-	544.84	(4.61)	(38.51)
Unamortised borrowing cost	(180.28)	-	78.90	-	(101.38)
Amalgamation expenses	-	-	46.35	-	46.35
Cash flow hedge reserve	-	-	-	(17.46)	(17.46)
Total	13,004.09	-	9,896.16	(32.73)	22,867.52
Mat credit entitlement of subsidiary	-	-	182.85	-	-
Net deferred tax asset / (liabilities)	13,004.09	-	10,079.01	(32.73)	22,867.52

Notes to the consolidated financial statements for the year ended March 31, 2022

38 Earnings per share ('EPS')

Basic and Diluted earning per share amount are calculated by dividing the loss for the year from continuing and discontinuing operations respectively by the weighted average number of equity shares outstanding during the year. For the total operations, Basic and Diluted earning per share amount are calculated by dividing the total loss for the year from total operations by the weighted average number of equity shares outstanding during the year.

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Attributable to Equity holders of the parent		
(Loss) after tax from continuing operations (₹ in Lakh) (Including right issue expenses)	(1,443.26)	(3,160.88)
(Loss) / Profit after tax from discontinued operations (₹ in Lakh)	(6.72)	245.90
Loss after tax from continuing and discontinued operations (₹ in Lakh)	(1,449.98)	(2,914.98)
Weighted average number of shares outstanding during the year for basic EPS (Nos.)	28,728,306	26,256,649
Weighted average number of shares outstanding during the year for diluted EPS (Nos.)	28,728,306	26,256,649
Earnings per equity share (for continuing operation) (Face value of ₹ 10/- each)		
Basic (₹)	(5.02)	(12.04)
Diluted (₹)	(5.02)	(12.04)
Earnings per equity share (for discontinued operation) (Face value of ₹ 10/- each)		
Basic (₹)	(0.02)	0.94
Diluted (₹)	(0.02)	0.94
Earnings per equity share (for total operations) (Face value of ₹ 10/- each)		
Basic (₹)	(5.04)	(11.10)
Diluted (₹)	(5.04)	(11.10)

39 Corporate Social Responsibility (CSR)

Gross amount required to be spent by the Group during the current year for Corporate Social Responsibility (CSR) is ₹ 41.85 lakhs (31 March 2021 : Nil)

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
I. Amount required to be spent by the Company during the year	41.85	-
II. Amount spent during the year on:		
i) Construction/ acquisition of any asset	-	-
ii) For purposes other than (i) above*	41.85	-
III. Shortfall at the end of the year	-	-
IV. Total of previous years shortfall	-	-
V. Reason for shortfall	Not Applicable	Not Applicable

* The above amount has been spent by certain subsidiary companies towards "Sustainable Rural Development Project" amounting to ₹ 25.05 lakhs and contributed ₹ 16.80 lakhs to Shri Vasupujya Jain Seva Sanstha, an entity registered for undertaking CSR activities.

Notes to the consolidated financial statements for the year ended March 31, 2022

40 Litigations and claims

As a part of its real estate activity, the Holding Company had acquired approximately 47 acres of land in Devanahalli Bengaluru from a party in terms of Agreement of Sale Deed dated 28.07.1995. However, as the said party, though in receipt of sale consideration did not fulfil its legal obligation to transfer the title in the name of the Holding Company, the Holding Company filed a suit for specific performance in the Civil Court in 2011. An order granting temporary injunction was passed on 11.03.2013 restraining the said party from alienating or in any way encumbering the land in Devanahalli. A criminal complaint was also filed at the Devanahalli Court on 10.11.2014 and subsequently, the Hon'ble High Court of Karnataka vide order dated 19.07.2019 has quashed the criminal complaint filed before the Court at Devanahalli and the proceedings is disposed of as such. The suit for Specific Performance in the Civil Court is pending. The Department of Revenue, Government of Karnataka, has also raised certain issues relating to the title of the land which are being addressed by the Holding Company.

41 Contingent Liabilities and Other Commitments (to the extent not provided for)

(I) Contingent Liabilities

		(₹ in Lakh)	
Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a.	Guarantees / counter guarantees		
-	Bank Guarantees given to various authorities	4,433.34	433.24
-	Guarantees / counter guarantees given to custom authorities	347.00	347.00
b.	Claims against the Group not acknowledged as debt	-	
-	Entertainment Tax (Refer note no. 4 below)	2,482.00	2,481.96
-	Sales Tax and VAT (Refer note no. 6 below)	4,032.36	2,045.38
-	Cable Television Related Cases	234.16	234.16
-	Service Tax (Refer note no. 5 below)	12,794.00	12,794.00
-	License Fee (Department of Telecommunication) (Refer note no. 7 below)	62,294.82	54,152.00
-	Income tax matters against which the Group has filed appeals/objections. (Refer note no. 2, 3 & 10 below)	6,350.99	6,329.03
-	Demands of Custom Duty in a Subsidiary Company against which it has filed appeal. (Refer Note no. 8 below)	1,476.30	1,476.30
-	Local body tax	73.42	73.42
-	Goods and service tax	115.98	48.99

(II) Other Commitments

		(₹ in Lakh)	
Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for	2,053.15	17.06
b.	"Letters of Credit issued by bankers: - for Import of Equipments"	119.17	1,650.09
c.	Co-borrower with Customer for Loan availed from Hinduja Leyland Finance Limited	-	200.00
d.	Provident fund (Refer note no.9 below)	409.00	409.00

Notes:

- In respect of items mentioned above, till the matters are finally decided, the financial effect cannot be ascertained. The Group does not expect any outflow of cash / resources.
- During the year, OneOTT Intertainment Limited (subsidiary company) received a demand order from Income Tax for ₹185.44 lacs pertaining to AY 2016-17. In the said year, the subsidiary company had acquired Broadband division of IMCL through a court approved Scheme of Arrangement for Slump sale. Based on the scheme and the order passed by the Hon'ble Bombay High Court dated 4th March, 2016, subsidiary company has booked intangible assets in form of Business and Commercial Rights amounting to ₹ 26,700 lakhs and claimed depreciation on the same. The Assessing Officer, based on certain secondary documents,

Notes to the consolidated financial statements for the year ended March 31, 2022

has wrongly considered the transfer of business from Holding Company to the subsidiary company as demerger u/s. 2(19)(aa) instead of Slump Sale u/s. 2(42C) of the Income Tax Act, 1961, as approved by the Bombay High Court. Considering the transaction as demerger, the Assessing officer has disallowed the claim of Depreciation of ₹ 6600 lakhs u/s. 32(5) of the Income Tax Act, 1961. subsidiary company has already preferred an appeal before the Hon'ble CIT (A) – 17, Mumbai and also filed necessary applications before the jurisdictional income tax authorities. In view of the foregoing, the subsidiary company has treated the said demand as contingent liability.

3. In addition to above, the Holding Company has received income tax demand pertaining to IT/ITES business aggregating ₹ 7,144.66 Lakh in respect of period prior to October 1, 2006 which is reimbursable to the Holding Company by Hinduja Global Solutions Limited pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business from the Holding Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Holding Company had received ₹ 5,550.00 Lakh from Hinduja Global Solutions Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Holding Company has received refund of ₹ Nil including interest of ₹ Nil (March 31, 2021 - Nil including interest of ₹ Nil) during the year and the net outstanding amount as at March 31, 2022 of ₹ 1,868.99 lakh (March 31, 2021 of ₹ 1,868.99 Lakh). The Holding Company has already received a Favourable order from the Hon'ble Bombay High Court. In view of Management and based on the legal advice obtained, the Holding Company has a strong case to succeed.

The honourable Supreme Court of India has admitted a special leave petition (SLP) against section 10A matter under Income Tax Act, 1961 and the contingent liability as disclosed above for the financial year ended March 31, 2020 is recomputed considering all the open assessment years. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.

4. Entertainment tax ('ET') material disputes

Entertainment tax on LCO Points (Maharashtra)

The Government of Maharashtra issued Resolution No. - ENT2013/PK59/T-1 ('GR') dated March 7, 2013 for payment of ET on franchisee points by Multi System Operator (MSO). Accordingly, the ET authorities issued demand notices of ₹ 1,809.49 lakh relating to Mumbai, Nagpur and Nashik as under:

City	Period	Notice issued by	Demand raised by March 31, 2022	Demand raised by March 31, 2021
Mumbai	April, 2013 – September, 2013	District Collector/Tahsildar	507.08	507.08
Nagpur	April, 2013 – June, 2013	Office of District Collector, Nagpur	181.14	181.14
Nashik	April, 2013 - July, 2013	Office of District Collector, Nashik	41.35	41.35
Nagpur	July, 2013 – October, 2014	Office of District Collector, Nagpur	1,079.92	1,079.92
Total			1,809.49	1,809.49

In response to the demand notice issued by the ET authorities in Nagpur, the Group Subsidiary Company ("IMCL") has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ's filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by IMCL before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against IMCL and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's.

The Government of Maharashtra has vide an Ordinance dated February 10, 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the ordinance became part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated July 25, 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. IMCL has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, IMCL is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by IMCL at this stage.

Notes to the consolidated financial statements for the year ended March 31, 2022

5. Order from Service tax authorities for reversal of Cenvat Credit on Counter-vailing duty ('CVD') paid on import of Set-top box ('STB')

Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the holding Company had paid CVD on imported STB's. The holding Company issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Company. STB's are used for providing output service i.e. Cable operator service. The Holding Company has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Company for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during the current year and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to ₹ 12,653 lakhs. In response to the Order, the Company has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019.

Based on the above facts, the Group is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

6. Value Added Tax (VAT) material disputes

The Group had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Group has filed appeal with respective Appellate authorities.

The Group is of the opinion that it still remains the owner of STBs. Though physical control of STB is passed on to the end subscriber effective control remains with the Group hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Group is of the opinion that it does not require to make any provisions in the books for the said demand.

7. License fee demand notice from Department of Telecommunication

The Company received notices during the financial year 2017-2018 from the Department of Telecommunication (DOT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to ₹ 50,775.24 lakhs, under the License No. 820-5/2002-LR dated May 16, 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IndusInd Media and Communications Limited (IMCL) which was subsequently transferred to OneOTT Entertainment Limited (OIL) with effect from April 1, 2015. DOT demand on the Company was stayed by TDSAT vide its order dated December 20, 2017 and the said stay has not been vacated as on the date of balance sheet.

Although the above referred license has been transferred by IMCL to OIL, the amounts mentioned above have been reported under contingent liability in view of the counter indemnity given by IMCL in favour of OIL, against the indemnity given by OIL to DOT to service any past liability in connection with the said license.

In the previous year, in light of the Hon'ble Supreme Court's judgement, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities. During the previous year, TDSAT vide its order dated June 12, 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators.

On November 14, 2019, OneOTT Entertainment Limited ("OIL", direct subsidiary company of the Company) received demand notices from DOT for the financial years 2015-16 till 2018-19 amounting to ₹ 2,430.91 lakh including interest and penalty of ₹ 1078.24 lakh towards license fees on AGR. Accordingly, the total unacknowledged liability of OIL would be ₹ 4,956.74 lakh (excluding interest, penalty and interest on penalty).

During the previous year, in a similar matter, TDSAT vide its order dated October 18, 2019 has set aside the impugned demands and directed DOT to issue directives for maintaining level playing field for all operators. Further, in matters of certain telecom companies relating to 'AGR', the Hon'ble Supreme Court vide its order dated October 24, 2019 upheld DOT's appeal thereby determining what constitutes AGR for the purposes of license fee calculation.

Notes to the consolidated financial statements for the year ended March 31, 2022

On December 5, 2019, in light of the Hon'ble Supreme Court's judgement, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. IMCL and OIL have filed representations at appropriate authorities denying the alleged liabilities.

Relying on an independent legal expert's opinion, the Group continues to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

During current financial year the Holding Company has received revised demand for F.Y.2014-15, the earlier demand was ₹ 9,017.85 lakhs, which got revised to ₹ 16,014.27 lakhs.

8. Custom Duty on Activation Fees paid to Nagra Vision SA

The Holding Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Holding Company and passed the order confirming a demand of ₹ 927 Lakhs (including penalty and redemption fine). The Holding Company has filed an Appeal before the CESTAT, Mumbai in June 2018.

Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Holding Company expects that the outcome of the matter will be favorable to the Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities.

In addition to above order, during the Previous Year, Holding Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Company and the matter got heard before the Adjudicating Authority in the Current Year. Holding Company has received a letter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provisions of the Customs Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs.

9. Provident Fund

In February 2019, the Hon'ble Supreme Court of India vide its judgment and subsequent review petition of August 2019 has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act. The Group has assessed possible outcomes of the judgment on determination of provident fund contributions and based on the Company's current evaluation of the judgment, it is not probable that certain allowances paid by the Company will be subject to payment of provident fund.

The Group will continue to monitor and evaluate its position based on future events and developments.

10. The Group has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Group has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on these consolidated financial statements.

In addition to above, the Company has received income tax demand pertaining to IT/ITES business aggregating ₹ 7,144.66 Lakh in respect of period prior to October 1, 2006 which is reimbursable to the Company by Hinduja Global Solutions Limited pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business from the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had received ₹ 5,550.00 Lakh from Hinduja Global Solutions Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of ₹ Nil including interest of ₹ Nil (March 31, 2021 - Nil including interest of ₹ Nil) during the year and the net outstanding amount as at March 31, 2022 of ₹ 1,868.99 lakh (March 31, 2021 of ₹ 1,868.99 Lakh). Company has already received a Favourable order from the Hon'ble Bombay High Court. In view of Management and based on the legal advice obtained, the Company has a strong case to succeed.

The honourable Supreme Court of India has admitted a special leave petition (SLP) against section 10A matter under Income Tax Act, 1961 and the contingent liability as disclosed above for the financial year ended March 31, 2022 is recomputed considering all the open assessment years.

Future cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.

Notes to the consolidated financial statements for the year ended March 31, 2022

42 Renewal of licenses

Under the provisions of the Cable Television Networks (Regulations) Act, 1995, the Group Subsidiary Company ("IMCL") as a Multi System Operator ('MSO') is registered with the Information and Broadcasting Ministry under Rule 11C of the Cable Television Network Rules, 1994. Apart from the said registration, IMCL is also required to take registration as a cable operator under Rule 5 of the Cable Television Networks Rules, 1994 from the Registering Authority i.e. Post Office year on year basis. IMCL is in the process of renewing the licenses that have lapsed during the year / previous years at some of the locations.

43 Foreseeable losses

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Group has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

44 Details of inventories under broad heads

(₹ in Lakh)				
Inventories	Opening stock (A)	Purchases (B)	Consumed (C)	Closing stock (D)
Network cable, equipments and traded goods	695.78 (489.94)	900.32 (417.02)	521.99 (211.18)	1,074.11 (695.78)
Media inventory	184.76 (118.00)	158.76 (66.76)	184.76 -	158.76 (184.76)
Land	3,719.32 (3,719.32)	- -	2,517.52 -	1,201.80 (3,719.32)

Note: Figures in brackets are in relation to previous year.

45 Leases

As Lessee

Outstanding lease liabilities are disclosed as below :

(₹ in Lakh)		
Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	20,942.74	13,510.60
Current	7,533.48	3,651.80
Total	28,476.22	17,162.40

(i) Movement in Lease Liabilities:

(₹ in Lakh)		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	17,162.40	11,381.94
Add: Addition made during the year	21,064.28	8,560.21
Less : Deduction	868.91	-
Add: Finance cost accrued during the year	2,637.47	1,418.80
Less: Payment of Lease Liabilities	13,131.99	3,834.07
Less: Restatement of Lease Liabilities	124.85	291.99
Less: Lease termination	-	72.49
Closing Balance	28,476.22	17,162.40

Notes to the consolidated financial statements for the year ended March 31, 2022

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Payable within one year	7,533.48	3,651.80
Payable later than one year and not later than five years	20,273.56	9,833.16
Payable after five years	669.18	3,677.44

(iii) Lease payments recognised for short term leases in Statement of Profit and Loss during the year 545.59 572.47

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

46 The direct and indirect subsidiaries (all incorporated in India) considered in the consolidated financial statements with the Company's share in voting power in these companies are as follows:

S r. No.	Name of the Company	Held by	Parent's Shareholding and Voting Power (%)		Company's Effective Stake (%)	
			As at		As at	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
I	DIRECT SUBSIDIARIES					
1	IndusInd Media & Communications Limited (IMCL)	NDL	77.55	77.55	77.55	77.55
2	OneOTT Intertainment Limited	NDL	71.65	71.65	71.65	71.65
II	INDIRECT SUBSIDIARIES					
1	USN Networks Private Limited	IMCL	100.00	100.00	77.55	77.55
2	United Mysore Network Private Limited	IMCL	99.45	99.45	77.12	77.12
3	Bhima Riddhi Infotainment Private Limited	IMCL	51.00	51.00	39.55	39.55
4	Gold Star Noida Network Private Limited	IMCL	100.00	100.00	77.55	77.55
5	Apna Incable Broadband Services Private Limited	IMCL	100.00	100.00	77.55	77.55
6	Sangli Media Services Private Limited	IMCL	51.00	51.00	39.55	39.55
7	Sainath In Entertainment Private Limited	IMCL	51.00	51.00	39.55	39.55
8	Sunny Infotainment Private Limited	IMCL	51.00	51.00	39.55	39.55
9	Goldstar Infotainment Private Limited	IMCL	98.92	98.92	76.71	76.71
10	Ajanta Sky Darshan Private Limited	IMCL	51.00	51.00	39.55	39.55
11	Darpita Trading Company Private Limited	IMCL	51.00	51.00	39.55	39.55
12	RBL Digital Cable Network Private Limited	IMCL	51.00	51.00	39.55	39.55
13	Vistaar Telecommunication and Infrastructure Private Limited	IMCL	51.00	51.00	39.55	39.55
14	Vinsat Digital Private Limited	IMCL	51.15	61.00	39.67	47.31
15	One Mahanet Intertainment Private Limited	OIL	100.00	100.00	71.65	71.65
16	In Entertainment (India) Ltd	OIL	100.00	100.00	71.65	71.65

Notes to the consolidated financial statements for the year ended March 31, 2022

47 Segmental reporting

Primary segment information

Business segment

The Group's primary business segments are reflected based on principal business activities carried on by the Group. The Group's primary businesses are as under:

- i) Treasury & Investment activities include trading of shares which the Company carries out on its own account, advancing of inter corporate loans and advances and sub-broking activities for shares.
- ii) Media & Entertainment activities include the commercial exploitation of Dark Fibre owned by the Company as a licensee under the Telecom regulations and also its strategic investments in a subsidiary in the Cable TV Industry.
- iii) Real estate activities include real estate assets (Land) acquired for the purpose of development in future.

These segments are determined based on the internal organisation and management structure of the Company and its system of internal financial reporting and the nature of its risks and its returns. The Board of Directors of the Company has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Company's performance, allocate resources based on analysis of various performance indicators of the Group as disclosed for the above three segments.

Secondary segment information

Geographical segment

The Group's operations are based in India and therefore the Group has only one geographical segment - India.

Segment accounting policies

Segment accounting policies are in line with accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting

- i) Segment revenue includes income directly identifiable with the segments.
- ii) Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".
- iii) Income which relates to the Group as a whole and not allocable to segments is included in Unallocable Income and netted off from Unallocable corporate expenses.
- iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
1	Segment Revenue		
	(a) Media and Communication	101,049.70	97,488.15
	(b) Others	6,930.25	-
	(c) Unallocated	-	-
	Income from Continue operations	107,979.95	97,488.15
	(d) Investments and Treasury (Discontinued)	(8.98)	317.17
	Income from operations	107,970.97	97,805.32

Notes to the consolidated financial statements for the year ended March 31, 2022

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
2	Segment Results		
	(a) Media and Communication	(1,029.58)	2,874.65
	(b) Others	4,321.91	(64.67)
	(c) Unallocated	-	-
	Total	3,292.33	2,809.98
	(i) Less: Interest Expense	13,612.05	14,265.83
	Profit / (Loss) before exceptional items and tax (Continuing)	(10,319.72)	(11,455.85)
	(d) Investments and Treasury (Discontinued)	(8.98)	317.17
	Total	(10,328.70)	(11,138.68)
3	Segment Assets		
	(a) Media and Communication	157,052.52	153,488.56
	(b) Others	1,201.80	3,719.32
	(c) Investments and Treasury (Discontinued)	526.17	543.07
	(d) Unallocated	43,663.12	30,020.31
	Total	202,443.61	187,771.26
4	Segment Liabilities		
	(a) Media and Communication	152,061.84	165,667.91
	(b) Others	-	-
	(c) Investments and Treasury (Discontinued)	-	-
	(d) Unallocated	141.41	25.90
	Total	152,203.25	165,693.81
5	Capital Employed (Segment Assets - Segment Liabilities)		
	(a) Media and Communication	4,990.68	(12,179.35)
	(b) Others	1,201.80	3,719.32
	(c) Investments and Treasury (Discontinued)	526.17	543.07
	(d) Unallocated	43,521.71	29,994.41
	Total	50,240.36	22,077.45

48 Related Party and their relationships

I. Individual having control:

1. Mr. Ashok P. Hinduja, Non-Executive Chairman
2. Mrs. Harsha A. Hinduja

II. Relatives of Individuals identified in (I) above:

1. Ms. Ambika A. Hinduja
2. Ms. Satya A. Hinduja
3. Mr. Shom A. Hinduja
4. Mr. Srichand P. Hinduja
5. Mr. Gopichand P. Hinduja
6. Mr. Prakash P. Hinduja

Notes to the consolidated financial statements for the year ended March 31, 2022

III. Key Management Personnel

1. Mr. Ashok Mansukhani, Managing Director (till September 30, 2020)
2. Mr. Vynsley Fernandes, Managing Director (w.e.f. February 26, 2021), Chief Executive Officer (w.e.f. August 1, 2020) and Manager (w.e.f. September 30, 2020 till February 26, 2021))”
3. Mr. Amar Chintopanth, Chief Financial Officer and Whole Time Director (w.e.f. September 4, 2020)
4. Mr. Hasmukh Shah, Company Secretary and Compliance Officer (till January 18, 2021)
5. Mr. Ashish Pandey, Company Secretary (w.e.f. January 28, 2021) and Compliance Officer (w.e.f. January 18, 2021)

Non-Executive Directors:

- | | | | |
|---|------------------------|---|------------------------|
| 1 | Mr. Anil Harish | : | Independent Director |
| 2 | Mr. Prashant Asher | : | Independent Director |
| 3 | Ms. Bhumika Batra | : | Independent Director |
| 4 | Mr. Sudhanshu Tripathi | : | Non-Executive Director |
| 5 | Mr. Munesh Khanna | : | Independent Director |

IV. Enterprises where common control exists

1. Hinduja Group Limited
2. Hinduja Global Solutions Limited
3. Siddharth Textiles Private Limited
4. Aasia Advisory Services Limited
5. Aasia Business Venture Private Limited
6. The British Metal Corporation India Private Limited
7. Hinduja Realty Ventures Limited
8. Skyways Properties Private Limited
9. Aasia Corporation LLP
10. Hinduja Estate Developers
11. APDL Estates Limited
12. Hinduja Properties Limited
13. Hinduja E-ways Private Limited
14. Hinduja Healthcare Limited
15. Hinduja Estate Private Limited
16. Ashok Plywood Trading Company LLP
17. Aasia Exports
18. HGS International, Mauritius
19. HGS International Services Private Limited
20. Hinduja Global Solutions Inc., U S A
21. HGS Canada Inc., Canada
22. C-Cubed B.V, Netherlands
23. C-Cubed B.V, Curacao
24. Customer Contact Centre Inc., Philippines
25. Hinduja Global Solutions Europe Limited, U K
26. Hinduja Global Solutions UK Limited, U K
27. HGS France, S.A.R.L
28. HGS (USA), LLC

Notes to the consolidated financial statements for the year ended March 31, 2022

29. HGS Healthcare (previously RMT LLC., U S A)
30. Affina Company, Canada
31. HGA St. Lucia Ltd., Saint Lucia
32. Team HGS Limited, Jamaica
33. HGS Properties LLC, U S A
34. HGS Canada Holdings LLC, U S A
35. HGS Italy, S.A.R.L
36. HGS EBOS LLC, U S A
37. HGS Mena FZ LLC, U S A
38. HGS Colibrium Inc
39. HGS Extensya Holdings Limited
40. Extensya Investment Holdings Limited
41. HGS Extensya Cayman Limited
42. Asia Imports and Exports Private Limited
43. Indusind Information Technology Limited
44. Juhu Beach Resorts Limited
45. Hinduja Finance Limited
46. Aasia Enterprises LLP
47. Tabula Rasa Music LLP
48. Cyqure India Pvt Ltd (100% owned by Aasia Enterprises LLP)
49. Ashok Leyland Defence Systems Ltd (being the subsidiary of Aasia Enterprises LLP)
50. Impeccable Imagination LLP (Previously known as Impeccable Imagination Private Limited)
51. OneOTT Intertainment India Limited
52. IN Entertainment (India) Limited
53. One Mahanet Intertainment Private Limited
54. Cyqurex Systems Private Limited

V. Firm / Company in which Director/Chief Executive Officer is a partner/shareholder

1. D M Harish & Co. (Firm in which Mr. Anil Harish is a Partner)
2. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra and Mr. Prashant Asher are partners)
3. Castle Media Private Limited (Company in which Mr. Vynsley Fernandes is a shareholder)
4. Spyke Technologies Private Limited (Company in which Mr. Vynsley Fernandes is a shareholder)

Notes to the consolidated financial statements for the year ended March 31, 2022

The following details pertain to transactions carried out with the related parties in the ordinary course of business and the balances outstanding at the year-end:

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Subscription Income				
Hinduja Group Limited	- (-)	- (-)	24.18 -	24.18 -
Hinduja Global Solutions Limited	- (-)	- (-)	- (4.37)	- (4.37)
Hinduja Healthcare Limited	- (-)	- (-)	- (12.63)	- (12.63)
Total	- (-)	- (-)	24.18 (17.00)	24.18 (17.00)
Interest Income				
Cyqurex Systems Private Limited	- (-)	- (-)	87.81 (5.75)	87.81 (5.75)
Hinduja Group Limited	- (-)	- (-)	436.07 (63.11)	436.07 (63.11)
Hinduja Finance Limited	- (-)	- (-)	428.73 (840.13)	428.73 (840.13)
Total	- (-)	- (-)	952.61 (908.99)	952.61 (908.99)
Travel Expenses				
Spyke Technologies Private Limited	- (-)	17.64 (-)	- (-)	17.64 (-)
Total	- (-)	17.64 (-)	- (-)	17.64 (-)
Miscellaneous Income				
Spyke Technologies Private Limited	- (-)	- (12.90)	- (-)	- (12.90)
Total	- (-)	- (12.90)	- (-)	- (12.90)
Reimbursement of Expenses from Other Companies				
Hinduja Global Solutions Limited	- (-)	- (-)	- (9.00)	- (9.00)
Total	- (-)	- (-)	- (9.00)	- (9.00)
Reimbursement of Expenses to Other Companies				
Hinduja Realty Ventures Limited	- (-)	- (-)	- (9.00)	- (9.00)
Spyke Technologies Private Limited	- (-)	- (43.60)	- (-)	- (43.60)
Prakash Shah	- (-)	- (1.39)	- (-)	- (1.39)
Total	- (-)	- (44.99)	- (9.00)	- (53.99)
Service charges recovered				
Hinduja Global Solutions Limited	- (-)	- (-)	- (0.01)	- (-)

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Freight inwards				
Spyke Technologies Private Limited	- (-)	6.64 (0.27)	-	6.64 (0.27)
Freight outwards				
Spyke Technologies Private Limited	- (-)	- (2.13)	-	- (2.13)
Insurance expense				
Spyke Technologies Private Limited	- (-)	0.47 (0.19)	-	0.47 (0.19)
Sales (Net of Returns)/Service Charges				
Hinduja Global Solutions Limited	- (-)	- (-)	128.42 (114.08)	128.42 (114.08)
Hinduja Group Limited	- (-)	- (-)	- (1.47)	- (1.47)
Total	- (-)	- (-)	128.42 (115.55)	128.42 (115.55)
Professional / Technical Fees				
Crawford Bayley & Co.	- (-)	27.00 (18.00)	-	27.00 (18.00)
Hinduja Group Limited	- (-)	-	250.22 (519.13)	250.22 (519.13)
Hinduja Global Solutions Limited	- (-)	80.38 (46.16)	-	80.38 (46.16)
Spyke Technologies Private Limited	- (-)	108.21 (-)	-	108.21 (-)
Castle Media Private Limited	- (-)	912.34 (945.84)	-	912.34 (945.84)
Total	- (-)	1,100.93 (1,010.00)	250.22 (519.13)	1,351.15 (1,529.13)
Rent				
Hinduja Group Limited	- (-)	-	83.04 (83.04)	83.04 (83.04)
Aasia Corporation LLP	- (-)	-	38.88 (22.72)	38.88 (22.72)
Total	- (-)	- (-)	121.92 (105.76)	121.92 (105.76)
Director Sitting Fees				
Mr. Ashok P. Hinduja	6.00 (4.00)	-	-	6.00 (4.00)
Mr. Anil Harish	-	17.50 (19.00)	-	17.50 (19.00)
Munnesh Khanna	-	26.50 (-)	-	26.50 (-)
Mr. Prashant Asher	-	9.50 (14.00)	-	9.50 (14.00)
Ms. Bhumika Batra	-	33.00 (18.00)	-	33.00 (18.00)

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Mr. Sudhanshu Tripathi	- (-)	31.00 (19.00)	- (-)	31.00 (19.00)
Total	6.00 (4.00)	117.50 (70.00)	- (-)	123.50 (74.00)
Software Charges/Maintenance Expense				
Spyke Technologies Private Limited	- (-)	22.47 (-)	- (-)	22.47 (-)
Hinduja Realty Ventures Limited	- (-)	9.00 (-)	- (-)	9.00 (-)
Cyquirex Systems Private Limited	- (-)	63.08 (-)	- (-)	63.08 (-)
Total	- (-)	94.55 (-)	- (-)	94.55 (-)
Interest Expense				
Hinduja Realty Ventures Limited	- (-)	- (-)	1,200.59 (145.48)	1,200.59 (145.48)
Hinduja Global Solutions Limited	- (-)	- (-)	688.75 (17.34)	688.75 (17.34)
Hinduja Group Limited	- (-)	- (-)	3,027.45 (2,746.50)	3,027.45 (2,746.50)
Hinduja Properties Limited	- (-)	- (-)	15.83 (13.75)	15.83 (13.75)
Hinduja Estates Private Limited	- (-)	- (-)	17.48 (-)	17.48 (-)
Hinduja Energy India Limited	- (-)	- (-)	1.64 (-)	1.64 (-)
The British Metal Corporation India Private Limited	- (-)	- (-)	83.54 (78.47)	83.54 (78.47)
Total	- (-)	- (-)	5,035.28 (3,001.54)	5,035.28 (3,001.54)
Business Promotion				
Hinduja Global Solutions Limited	- (-)	- (-)	2.55 (-)	2.55 (-)
Total	- (-)	- (-)	2.55 (-)	2.55 (-)
Purchase of Fixed Assets				
Spyke Technologies Private Limited	- (-)	409.67 (-)	- (-)	409.67 (-)
Total	- (-)	409.67 (-)	- (-)	409.67 (-)
Inventory				
Spyke Technologies Private Limited	- (-)	- (181.91)	- (-)	- (181.91)
Total	- (-)	- (181.91)	- (-)	- (181.91)

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Managerial Remuneration				
Mr. Ashok Mansukhani	-	-	-	-
	(-)	(180.56)	(-)	(180.56)
Mr. Amar Chintopanth	-	197.61	-	197.61
	(-)	(177.13)	(-)	(177.13)
Mr. Vynsley Fernandes	-	400.06	-	400.06
	(-)	(440.42)	(-)	(440.42)
Mr. Ashish Pandey	-	38.95	-	38.95
	(-)	(6.54)	(-)	(6.54)
Mr. Hasmukh Shah	-	-	-	-
	(-)	(35.24)	(-)	(35.24)
Total	-	636.62	-	636.62
	(-)	(839.89)	(-)	(839.89)
Dividend Paid				
Mr. Ashok P. Hinduja	26.55	-	-	26.55
	(33.19)	(-)	(-)	(33.19)
Mrs. Harsha A. Hinduja	19.57	-	-	19.57
	(24.46)	(-)	(-)	(24.46)
Ms. Ambika A. Hinduja	7.09	-	-	7.09
	(8.86)	(-)	(-)	(8.86)
Mr. Shom A. Hinduja	5.60	-	-	5.60
	(7.00)	(-)	(-)	(7.00)
Mr. Ashok Mansukhani	-	-	-	-
	(-)	(0.03)	(-)	(0.09)
Aasia Corporation LLP	-	-	56.04	56.04
	(-)	(-)	(70.04)	(245.15)
Hinduja Group Limited	-	-	346.02	346.02
	(-)	(-)	(427.53)	(1,505.98)
Hinduja Properties Limited	-	-	8.51	8.51
	(-)	(-)	(10.64)	(10.64)
Hinduja Finance Limited	-	-	-	-
	(-)	(-)	(5.00)	(5.00)
Total	58.81	-	410.57	469.38
	(73.51)	(0.03)	(513.21)	(586.75)
Issuance of equity share capital (Rights Issue)				
Mr. Ashok P. Hinduja	835.84	-	-	835.84
	-	-	-	-
Mrs. Harsha A. Hinduja	733.79	-	-	733.79
	-	-	-	-
Ms. Ambika A. Hinduja	265.86	-	-	265.86
	-	-	-	-
Mr. Shom A. Hinduja	210.01	-	-	210.01
	-	-	-	-
Hinduja Group Limited	-	-	15,828.79	15,828.79
	-	-	-	-
Hinduja Realty Ventures Limited	-	-	2,551.16	2,551.16
	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Total	2,045.50	-	18,379.95	20,425.45
	-	-	-	-
Inter-Corporate Deposits Given				
Hinduja Group Limited	-	-	24,619.00	24,619.00
	(-)	(-)	(5,254.03)	(5,254.03)
Hinduja Finance Limited	-	-	4,346.00	4,346.00
	(-)	(-)	(4,320.00)	(4,320.00)
Cyqurex Systems Private Limited	-	-	1,268.00	1,268.00
	(-)	(-)	(-)	(-)
Total	-	-	30,233.00	30,233.00
	(-)	(-)	(9,574.03)	(9,574.03)
Inter-Corporate Deposits Received Back				
Hinduja Group Limited	-	-	24,619.00	24,619.00
	(-)	(-)	(5,311.03)	(5,311.03)
Hinduja Finance Limited	-	-	2,995.00	2,995.00
	(-)	(-)	(5,260.00)	(5,260.00)
Total	-	-	27,614.00	27,614.00
	(-)	(-)	(10,571.03)	(10,571.03)
Inter-Corporate Deposits Taken				
Hinduja Realty Ventures Limited	-	-	10,050.00	10,050.00
	(-)	(-)	(5,580.00)	(5,580.00)
Hinduja Group Limited	-	-	21,546.00	21,546.00
	(-)	(-)	(55,676.00)	(55,676.00)
Hinduja Global Solutions Limited	-	-	9,000.00	9,000.00
	(-)	(-)	(-)	-
Hinduja Estates Private Limited	-	-	5,750.00	5,750.00
	(-)	(-)	-	-
Hinduja Properties Limited	-	-	400.00	400.00
	(-)	(-)	(-)	(-)
Hinduja Energy India Limited	-	-	6,000.00	6,000.00
	(-)	(-)	(-)	(-)
The British Metal Corporation India Private Limited	-	-	-	-
	(-)	(-)	(70.00)	(70.00)
Total	-	-	52,746.00	52,746.00
	(-)	(-)	(61,326.00)	(61,326.00)
Inter-Corporate Deposits Repaid				
Hinduja Group Limited	-	-	37,619.79	37,619.79
	(-)	(-)	(19,751.00)	(19,751.00)
Hinduja Realty Ventures Limited	-	-	8,691.16	8,691.16
	(-)	(-)	(600.00)	(600.00)
Hinduja Global Solutions Limited	-	-	9,950.00	9,950.00
	(-)	(-)	(-)	(-)
The British Metal Corporation India Private Limited	-	-	-	-
	(-)	(-)	(30.00)	(-)
Hinduja Properties Limited	-	-	125.00	125.00
	(-)	(-)	(-)	(-)

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Hinduja Estates Private Limited	-	-	900.00	900.00
	(-)	(-)	(-)	(-)
Total	-	-	57,285.95	57,285.95
	(-)	(-)	(20,381.00)	(20,381.00)
Inter Corporate Deposits Receivable including interest accrued as at the Year-end				
Hinduja Group Limited	-	-	21.04	21.04
	(-)	(-)	(-)	(-)
Hinduja Finance Limited	-	-	6,811.00	6,811.00
	(-)	(-)	(5,460.02)	(5,460.02)
Cyqurex Systems Private Limited	-	-	1,518.00	1,518.00
	(-)	(-)	(250.00)	(250.00)
Hinduja Realty Ventures Limited	-	-	-	-
	(-)	(-)	(-)	(-)
Total	-	-	8,350.04	8,350.04
	(-)	(-)	(5,710.02)	(5,710.02)
Inter-Corporate Deposits payable including Interest Payable as at the Year-end				
The British Metal Corporation India Private Limited	-	-	868.18	868.18
	(-)	(-)	(825.33)	(825.33)
Hinduja Properties Ltd.	-	-	409.23	409.23
	(-)	(-)	(137.72)	(137.72)
Hinduja Global Solutions Limited	-	-	9,003.53	9,003.53
	(-)	(-)	(9,966.04)	(9,966.04)
Hinduja Group Limited	-	-	30,917.78	30,917.78
	(-)	(-)	(46,616.93)	(46,616.93)
Hinduja Realty Ventures Limited	-	-	7,468.81	7,468.81
	(-)	(-)	(5,652.00)	(5,652.00)
Hinduja Estates Private Limited	-	-	4,865.73	4,865.73
	(-)	(-)	(-)	(-)
Hinduja Energy India Limited	-	-	16,456.08	16,456.08
	(-)	(-)	(-)	(-)
Total	-	-	69,989.34	69,989.34
	(-)	(-)	(63,198.02)	(63,198.02)
Trade Receivables				
Hinduja Group Limited	-	-	0.27	0.27
	(-)	(-)	(3.30)	(3.30)
Hinduja Global Solutions Limited	-	-	6.81	6.81
	(-)	(-)	(1.57)	(-)
Hinduja Healthcare Limited	-	-	5.77	5.77
	(-)	(-)	(12.37)	(-)
Spyke Technologies Private Limited	-	-	-	-
	(-)	(24.55)	(-)	(24.55)
Total	-	-	12.85	12.85
	(-)	(24.55)	(17.24)	(41.79)
Trade Payables				
Hinduja Realty Ventures Limited	-	-	1.62	1.62
	(-)	(-)	(-)	(-)

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Nature of Transaction	Parties referred to in I & II above	Parties referred to in III above	Parties referred to in IV & VI above	Total
Cyqurex Systems Private Limited	- (-)	- (-)	16.61 (7.74)	16.61 (7.74)
Hinduja Group Limited	- (-)	- (-)	2,006.60 (151.98)	2,006.60 (151.98)
Hinduja Global Solutions Limited	- (-)	- (-)	16.00 (13.72)	16.00 (13.72)
Castle Media Private Limited	- (-)	5.94 (75.87)	- (-)	5.94 (75.87)
Spyke Technologies Private Limited	- (-)	227.64 (47.45)	- (-)	227.64 (47.45)
D M Harish & Co.	- (-)	- (-)	- (0.68)	- (0.68)
Total	- (-)	233.58 (123.32)	2,040.83 (174.12)	2,274.41 (297.44)
Employees Benefit Payable				
Mr. Vynsley Fernandes	- (-)	174.46 (237.82)	- (-)	174.46 (237.82)
Mr. Amar Chintopanth	- (-)	84.21 (80.92)	- (-)	84.21 (80.92)
Mr. Ashish Pandey	- (-)	10.46 (9.43)	- (-)	10.46 (9.43)
Total	- (-)	269.13 (328.17)	- (-)	269.13 (328.17)

Notes:

1. Figures in brackets () represent transactions in respect of previous year 2020-2021 and balances are as on March 31, 2022 respectively.

49 Employee benefits expense

The Group contributes to the following post-employment defined contribution and defined benefit plans in India.

i. Defined contribution plan

All eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and employer (at a determined rate) contribute monthly. The group does not have any obligations other than to make the specified contribution under this plan.

- a) Provident fund
- b) State defined contribution plans
 - i. Employer's contribution to Employees' State Insurance
 - ii. Employer's contribution to Employees' Pension Scheme, 1995

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
- Employer's contribution to provident fund [Includes EDLI charges and employers' contribution to Employees' Pension Scheme 1995]* and Employer's contribution to employees' state insurance *	449.55	454.26

*included in contribution to employees provident and other funds - Refer note 33 of the Financial statements

Notes to the consolidated financial statements for the year ended March 31, 2022

ii. Defined benefit plan

a. Contribution to Gratuity fund

The Group provides the eligible employees with a gratuity scheme where a lump sum amount gets vested to the employees at the time of retirement, death while in employment or on termination of employment. The same is determined based on the salary payable for each completed year of service. Vesting of such gratuity plan occurs upon completion of five continuous years of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Pursuant to the Scheme of Arrangement between the Company, Indusind Media and Communications Limited and their respective shareholders for demerger of Media and Communication undertaking of Indusind Media and Communications Limited (subsidiary company) and merger of the same into the Company pursuant to the approval of the Honourable National Company Law Tribunal, Mumbai Bench ('NCLT'), received on August 21, 2020, certain employees have been transferred from IMCL to the Company and vice versa.

As on March 31, 2021, the actuarial valuation has taken year end employee strength as base while arriving at employee benefit liabilities. Accordingly, in line with the said report, the Company has reflected the closing liability and have adjusted the difference amounting to ₹ 111.66 (credit/debit) in statement of Profit and Loss Account. Hence to the extent of opening balance adjustments there will be mismatch of the amounts reflected in the Statement of Profit and Loss and the actuarial valuation disclosures.

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit (assets) / liabilities and its components and the assumptions used to determine the same.

Description	(₹ inLakh)			
	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
Changes in the present value of defined benefit obligation				
Balance at the beginning of the year	191.52	112.02	736.95	104.56
Balance transferred on account of acquisitions / (demerger)	-	-	-	-
Interest cost	55.22	4.21	53.27	3.82
Current service cost	87.01	10.26	95.43	7.02
Liability transferred In/ Acquisitions	(0.19)	-	(703.70)	-
Actuarial (gains) / losses recognized in other comprehensive income ('OCI')	-	-	-	-
- change in demographic assumption	(33.33)	(0.03)	(15.32)	0.33
- change in financial assumption changes	(6.01)	(3.22)	(61.65)	(3.70)
- experience adjustment	(20.06)	1.74	207.76	(0.01)
Benefits paid	(65.92)	-	(121.22)	-
Benefit obligation at the end of the year	208.24	124.98	191.52	112.02
Changes in the fair value of plan assets				
Balance at beginning of the year	319.25	-	643.12	-
Interest income	61.26	-	44.19	-
Contributions paid to the fund	75.13	-	329.35	-
Balance transferred on account of acquisitions / (demerger)	-	-	(576.12)	-
Benefits paid	(65.92)	-	(89.72)	-
Return on plan assets excluding amounts included in interest income recognised in other comprehensive income	(3.56)	-	(31.57)	-
Fair value of plan assets at the end of the year	386.16	-	319.25	-

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ inLakh)

Description	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
Assets and liabilities recognised in the Consolidated balance sheet				
Present value of the defined benefit obligation at the end of the year	208.24	124.98	191.52	112.02
Less: Fair value of plan assets at the end of the year	(386.16)	-	(319.25)	-
Net liability /(asset) recognised	(177.92)	124.98	(127.73)	112.02
Net interest cost for current period				
Present value of benefit obligation at the beginning of the year	191.52	112.02	736.95	104.56
(Fair value of plan assets at the beginning of the year)	(319.25)	-	(643.12)	-
Net liability / (asset) at the beginning	(127.73)	112.02	93.83	104.56
Interest cost	55.22	4.21	53.27	3.82
(Interest income)	(61.26)	-	(44.19)	-
Net interest cost for current year	(6.04)	4.21	9.08	3.82
Expenses recognised in the consolidated statement of profit and loss				
Current service cost	87.01	10.26	95.43	7.02
Net interest (income) / expense	(6.04)	4.21	9.08	3.82
Net gratuity cost recognised in the current year (Refer note above)	80.97	14.47	104.51	10.84

(₹ inLakh)

Description	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
Expenses recognised in the Consolidated Statement of Other comprehensive income ('OCI')				
Remeasurements of the net defined benefit liability / (asset)				
Actuarial (gains) / losses on obligation for the Period	(59.40)	(1.51)	130.79	(3.38)
Loss on plan assets excluding amount included in the net interest on the net defined liability	3.55	-	31.57	-
	(55.85)	(1.51)	162.36	(3.38)

(₹ inLakh)

Description	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
Reconciliation of Net asset / (liability) recognised:				
Net asset / (liability) recognised at the beginning of the year	(127.73)	112.02	93.83	104.56
Company contributions	(75.13)	-	(329.35)	-
Net Liability /(Asset) transferred on account of acquisitions/(demerger)	(0.19)	-	(37.86)	-
Expenses / (Income) recognised in other comprehensive income	(55.85)	(1.51)	162.36	(3.38)
Expenses recognised in the Statement of Profit and Loss	80.97	14.47	104.51	10.84
Benefits Paid	-	-	(121.22)	-
Net (asset) / liability recognised at the end of the year	(177.93)	124.98	(127.73)	112.02

Notes to the consolidated financial statements for the year ended March 31, 2022

Actuarial assumptions	March 31, 2022	March 31, 2021
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Discount rate (per annum)	6.8%-7.23%	6.80%
Expected rate of return on plan assets	6.8%-7.23%	6.80%
Future salary growth	5.00%	5.00%
Rate of employee turnover (Attrition rate)	2.00%	2.00%

Notes:

- a. Assumptions regarding future mortality are based on published statistics by the Life Insurance Corporation of India.
- b. The Company assesses above assumptions with its projected long-term growth plans and prevalent industry standards. The discount rate is based on the government securities yield.

Sensitivity Analysis:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation ('PVO') and aids in understanding the uncertainty of reported amounts. Sensitivity analysis done by varying one parameter at a time and studying its impact.

	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
Projected Benefit Obligation on Current assumptions	208.24	124.98	191.52	112.02
Delta Effect of +1% Change in Rate of Discounting	(66.68)	(69.09)	(65.90)	(3.16)
Delta Effect of -1% Change in Rate of Discounting	76.54	67.41	76.37	3.56
Delta Effect of +1% Change in Rate of Salary Increase	76.72	68.23	75.49	3.56
Delta Effect of -1% Change in Rate of Salary Increase	(67.88)	(60.59)	(66.24)	(3.22)
Delta Effect of +1% Change in Rate of Employee Turnover	11.50	9.67	9.90	0.02
Delta Effect of -1% Change in Rate of Employee Turnover	(12.96)	(10.89)	(11.26)	(0.04)

Note:

Sensitivity for significant actuarial assumption is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by one percentage, keeping all other assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis has not changed as compared to previous year.

Projected Benefits Payable in Future Years From the Date of Reporting:

	March 31, 2022		March 31, 2021	
	Funded	Unfunded	Funded	Unfunded
2022	50.43	6.62	40.39	4.54
2023	33.22	5.87	33.90	5.45
2024	44.32	5.93	43.68	4.81
2025	47.68	6.28	34.53	4.83
2026	55.64	6.15	48.65	4.99
2027 and thereafter	1,274.31	116.35	1,316.54	97.35

b. Compensated absences

Provision in respect of Compensated absences / leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the Balance sheet date using Projected Unit Credit method. The liability for leave encashment and compensated absences as at March 31, 2022 aggregates ₹ 897.62 lakh [March 31, 2021 - ₹ 937.13 lakh].

Notes to the consolidated financial statements for the year ended March 31, 2022

50 Discontinued operations:

a. Financial performance:

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	-	-
Other income	-	-
Total Income	-	-
Expenses		
Net (Profit) / Loss on fair valuation of financial instruments at fair value through profit or loss	8.98	(317.17)
Net (Profit) / Loss on sale of financial instruments at fair value through profit or loss	-	-
Employee benefits expense	-	-
Finance costs	-	-
Other expenses	-	-
Total Expenses	8.98	(317.17)
Profit / Loss before tax	(8.98)	317.17
Current tax	-	-
Deferred tax / (reversal)	(2.26)	71.27
Short provision for tax relating to prior years	-	-
Profit / (Loss) after tax from discontinued operations	(6.72)	245.90
Other comprehensive income		
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	(7.92)	53.62
Net Profit / (Loss) on sale of equity instruments through other comprehensive income	-	-
Current tax	-	-
Deferred tax / (reversal)	2.52	(4.61)
Other comprehensive income / (loss)	(5.40)	49.01
Total comprehensive income / (loss)	(12.12)	294.92

b. Cash flows

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
a. Cash flows from operating activities	-	-
b. Cash flows from investing activities	-	9,613.00
c. Cash flows from financing activities	-	-

Notes to the consolidated financial statements for the year ended March 31, 2022

51 Categories of financial instruments and fair value hierarchy

Details as at March 31, 2022 are as follows:

(₹ in Lakh)

Particulars	Amortised cost*	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Assets						
Cash and cash equivalents	2,876.04	-	-	-	2,876.04	-
Other bank balances	2,107.14	-	-	-	2,107.14	-
Trade receivables	7,876.32	-	-	-	7,876.32	-
Loans	8,809.99	-	-	-	8,809.99	-
Investments in equity shares (Quoted shares)	-	-	325.76	1,054.73	1,380.49	Level 1
Investments in equity shares (Unquoted shares)	-	-	358.28	-	358.28	Level 3
Investments in other securities (Unquoted shares)	0.05	-	-	-	0.05	-
Unbilled receivables	1,344.73	-	-	-	1,344.73	-
Other financial assets	5,813.45	-	-	-	5,813.45	-
Total	28,827.72	-	722.43	1,054.73	30,604.88	
Financial Liabilities						
Derivative financial instruments	-	43.42	-	-	43.42	Level 2
Trade payables	16,390.68	-	-	-	16,390.68	-
Borrowings (other than debt securities)	90,829.52	-	-	-	90,829.52	-
Leases liabilities	28,476.22	-	-	-	28,476.22	-
Other financial liabilities	7,709.90	-	-	-	7,709.90	-
Total	143,406.32	43.42	-	-	143,449.74	

* The Group considers that the carrying amounts of these financial instruments recognised in the financial statements approximates its fair values.

Investment fully provided for in current year

Details as at March 31, 2021 are as follows:

(₹ in Lakh)

Particulars	Amortised cost*	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Assets						
Cash and cash equivalents	1,306.52	-	-	-	1,306.52	-
Other bank balances	9,499.12	-	-	-	9,499.12	-
Derivative financial instruments	-	8.29	-	-	8.29	Level 2
Trade receivables	7,117.97	-	-	-	7,117.97	-
Loans	6,348.82	-	-	-	6,348.82	-
Investments in equity shares (Quoted shares)	-	-	338.51	1,103.33	1,441.84	Level 1
Investments in equity shares (Unquoted shares)	-	-	358.28	-	358.28	Level 3
Investments in other securities (Unquoted shares)	0.05	-	-	-	0.05	-
Unbilled receivables	1,360.78	-	-	-	1,360.78	-
Other financial assets	883.59	-	-	-	883.59	-
Total	26,516.85	8.29	696.79	1,103.33	28,325.26	

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Amortised cost*	Fair value - hedging instruments	Fair value through other comprehensive income	Fair value through profit or loss	Total carrying value	Fair Value Hierarchy
Financial Liabilities						
Trade payables	24,862.10	-	-	-	24,862.10	
Borrowings (other than debt securities)	96,762.04	-	-	-	96,762.04	-
Lease liabilities	17,162.40	-	-	-	17,162.40	-
Other financial liabilities	17,753.97	-	-	-	17,753.97	-
Total	156,540.52	-	-	-	156,540.52	

* The Group considers that the carrying amounts of these financial instruments recognised in the financial statements approximates its fair values.

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement	Valuation process
Derivative and hedge instruments	Discounted cash flow approach	Discount rate determined as per market rate	Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value *	The valuation model considers the present value of expected payments discounted using appropriate discounting rates.
Investments	Discounted cash flow approach	Discount rate determined as per market rate	Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value *	Group has referred the fair valuation report of external valuation consultants for certain equity instruments measured at FVTOCI and FVTPL.

* holding all other variables constant

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Changes in level 3 items - Investments

(₹ in Lakh)

Particulars	Investment in equity shares
As at April 01, 2020	10,009.67
Additions	-
Disposals	(9,613.00)
Gain / (loss) recognised in other comprehensive income	(38.39)
As at March 31, 2021	358.28
Additions	-
Disposals	-
Investments provided for	-
Gain / (loss) recognised in other comprehensive income	-
As at March 31, 2022	358.28

Notes to the consolidated financial statements for the year ended March 31, 2022

52 Financial risk management

The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Group. The Group's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, currency risk, liquidity risk and market risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The carrying amounts of financial assets represent the maximum credit exposure.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Expected credit loss assessment for Trade and other receivables from customers

The Group has a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward - looking information. The expected credit loss rates are based on actual credit loss experience over the past three years.

Allowance percentage are calculated separately for exposures in different streams of revenue based on common credit risk characteristics for a set of customers, age of customer relationship and type of service rendered.

The following table provides information about the exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Gross carrying amount (trade and other receivables)	10,495.48	7,874.33
Weighed average loss rate - range	24.96%	9.61%
Loss allowance	2,619.16	756.36

Loss rates are based on actual credit loss experience over the past three years. The movement in the allowance for impairment in respect of trade and other receivables is as follows :

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Balance as at April 1	756.36	500.78
Movement during the year	1,862.80	255.58
Balance as at March 31	2,619.16	756.36

Notes to the consolidated financial statements for the year ended March 31, 2022

The Trade Receivables includes amount due from disconnected / inactive customers / LCOs with whom no interconnect documents have been executed and outstanding in excess of one year. The Group is taking adequate steps for recovery of overdue debts and advances and wherever necessary, write off/adequate provisions as per expected credit loss model have been made.

Cash and cash equivalents and other bank balances

The Group held cash and cash equivalents and other bank balances of ₹ 9,052.94 lakh as at March 31, 2022 (March 31, 2021: ₹ 10,940.78 lakh). The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Loans

Loan is given to related parties for which credit risk is managed by monitoring the recoveries of such amounts on regular basis. The Group does not perceive any credit risk related to such loans given to group companies since these will have an additional financial support from promoters as and when necessary.

Other financial assets

Other financial assets measured at amortised cost includes deposits, loans to employees, etc. Credit risk related to these financial assets are managed by monitoring the recoveries of such amounts on regular basis and the Group does not perceive any credit risk related to these financial assets.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its financial liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings (other than debt securities), trade payables and other financial liabilities.

Liquidity risk management

The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Exposure to liquidity risk

The following are the remaining contractual maturities of non-derivative financial liabilities at the reporting date. The amounts are gross and undiscounted, and include interest payments and exclude the impact of netting agreements.

Notes to the consolidated financial statements for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Carrying amount	Contractual cash flows				Total
		Less than 12 months	1-2 years	2-5 years	More than 5 years	
March 31, 2022						
Non-derivative financial liabilities						
Borrowings (other than debt securities) (excluding unamortised borrowing costs) & (including interest accrued but not due)	90,829.52	77,370.40	4,834.74	8,624.38	-	90,829.52
Lease liabilities	28,476.22	7,533.48	15,175.64	5,097.92	669.18	28,476.22
Trade payables	16,390.68	16,390.68	-	-	-	16,390.68
Other financial liabilities	7,709.90	7,319.90	390.00	-	-	7,709.90
Derivative financial liabilities (net settled)						
Forward exchange contracts used for hedging	43.42	43.42	-	-	-	43.42
March 31, 2021						
Non-derivative financial liabilities						
Borrowings (other than debt securities) (excluding unamortised borrowing costs) & (including interest accrued but not due)	96,467.45	69,147.71	10,199.08	17,111.15	9.51	96,467.45
Lease liabilities	17,162.40	3,651.80	3,797.10	6,036.06	3,677.44	17,162.40
Trade payables	24,862.10	24,862.10	-	-	-	24,862.10
Other financial liabilities	17,753.97	17,363.97	390.00	-	-	17,753.97
Derivative financial liabilities (net settled)						
Interest rate swaps used for hedging	44.87	44.87	-	-	-	44.87

As disclosed in note no. 57, the Group has secured bank loans that contain loan covenants. A future breach of such covenants may require the Group to repay the loan earlier than indicated in above. Under the agreement, the covenants are monitored on a regular basis by the management to ensure compliance.

The interest payments on variable interest rate borrowings as stated above, reflect market interest rates at the reporting date and these amounts may change as market interest rates change.

Equity share capital and other equity are considered for the purpose of Group's capital management. The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital to shareholders. The Group, if necessary, may take appropriate steps in order to maintain or adjust its capital structure.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Group's exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return, in foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk mainly on account of its purchase of set top box. The Group has a policy to hedge the foreign currency risks through forwards and swaps in order to mitigate risks due to adverse currency fluctuations.

The exchange rate between the domestic and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are affected as the domestic currency appreciates/depreciates against these foreign currencies.

Notes to the consolidated financial statements for the year ended March 31, 2022

Exposure to currency risk

The following table analyzes the foreign currency risk from financial instruments:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Liabilities:		
Trade payables		
- USD	(35.00)	(143.58)
- INR	2,642.85	(10,553.67)
Net assets / (liabilities)		
- USD	(35.00)	(143.58)
- INR	2,642.85	(10,553.67)

The following significant exchange rates have been applied during the year:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Average rate (USD 1 = ₹)	74.62	74.20
Year-end spot rate (USD 1 = ₹)	75.51	73.51

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollar at balance sheet date would have affected the measurement of financial instruments denominated in US dollar and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Effect in INR		
Profit or loss (1% movement)		
Strengthening	(19.78)	78.98
Weakening	19.78	(78.98)
Equity (1% movement)		
Strengthening	(19.78)	78.98
Weakening	19.78	(78.98)

Hedge accounting

The Group holds 28 instruments to hedge exposures to changes in foreign currency and interest rates. The counterparty for these contracts is a bank. Of the all instruments, majority instruments are valued at fair value through hedging and the balance are forward contracts which are valued at fair value through profit and loss.

The following table gives details in respect of outstanding hedge contracts:

Particulars	As at March 31, 2022		As at March 31, 2021	
	USD	INR	USD	INR
Interest rate swaps <i>(fair valuation through Profit and Loss)</i>	-	-	8.71	626.91
Forward contracts <i>(fair valuation through Cash Flow Reserve)</i>	35.00	2,720.90	146.30	10,783.77
Total	35.00	2,720.90	155.01	11,410.68

Notes to the consolidated financial statements for the year ended March 31, 2022

The below table analyses the hedging instruments into relevant maturity Group's based on the remaining period as of the reporting date.

Particulars	(₹ in Lakh)	
	March 31, 2022	March 31, 2021
Interest rate swaps		
Not later than one month	-	626.91
One to six months	-	-
Six months to one year	-	-
More than one year	-	-
Total	-	626.91
Forward contracts		
Not later than one month	-	-
One to six months	2,720.90	10,783.77
Six months to one year	-	-
More than one year	-	-
Total	2,720.90	10,783.77

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Group's exposure to interest rate risks relates primarily to the Group's interest obligations on its borrowings. Borrowings issued at variable rates are exposed to fair value interest rate risk. To mitigate this risk the Group's enters into derivative financial instruments like interest rate swaps. The interest rate profile of the Group's interest-bearing financial instruments as reported by the management of the Group is as follows.

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	90,571.49	96,467.45
Total	90,571.49	96,467.45

Fair value sensitivity analysis for fixed-rate instruments

The Group accounts for fixed-rate borrowings at amortised cost. Therefore, it would not affect profit or loss.

Interest rate sensitivity - variable rate borrowings

The below table mentions the impact of increase or decrease in the interest rates of variable rate borrowings on statement of profit and loss.

Particulars	(₹ in Lakh)	
	Impact on Statement of Profit and Loss	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest Rate increase by 100bps*	677.76	721.89
Interest Rate decrease by 100bps*	(677.76)	(721.89)

* holding all other variables constant

Notes to the consolidated financial statements for the year ended March 31, 2022

The Group has also considered the effect of changes, if any, in effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges due to COVID -19.

Utilisation of proceeds from issue of shares / borrowings:

The Group has taken term loans, buyer's credit, LC discounting and intercorporate deposits from banks, financial institutions and related parties for the purpose of normal business operations. The Group has utilised the funds for the purpose for which they were taken.

Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the Consolidated balance sheet either at fair value through profit and loss (FVTPL).

The majority of the Group's equity investments are unquoted. The financial assets are carried at fair value as at March 31, 2022 after considering the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.

Capital Management

The Group establishes its capital structure considering the key objective of maximising the shareholder's return.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to maintain investor, creditor and market confidence, better credit rating and to sustain future development of the business, and
- maintain an optimal capital structure (optimum mix of debt to equity) to reduce the cost of capital thus leading to achieving the Group's objective of maximising shareholder's return.

The Group sets the amount of capital required on the basis of its long term business plans – operations and new businesses.

The capital structure of the Group consists of net debt and total equity of the Group. The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group Management reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

The Group monitors its capital by using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings net of cash and bank balances and total equity comprises of equity share capital, securities premium, other comprehensive income and retained earnings.

The capital composition is as follows:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Gross debt	90,829.52	96,467.45
Less: Cash and bank	9,052.94	10,940.79
Net debt (A)	81,776.58	85,526.66
Equity (B)	50,240.36	22,077.45
Gearing ratio (A / B)	1.63	3.87

Notes to the consolidated financial statements for the year ended March 31, 2022

53 Details of material non-controlling interests

Company	Year ended March 31, 2022	Year ended March 31, 2021
IndusInd Media & Communications Limited (IMCL) including its subsidiaries		
Principal activity	Multi system operator in operation and distribution of television channels through medium of analogue, digital and terrestrial satellite cable transmission and distribution network	
Place of incorporation and principal place of business	India	
Proportion of ownership of interests and voting rights held by non-controlling interest	22.45	22.45
Profit /(Loss) allocated to non-controlling interests	1,270.90	1,160.14
OneOTT Entertainment Limited including its subsidiaries		
Principal activity	It provides high speed internet connectivity over a Fiber optic GPON last mile to the customers through their flagship brand, ONE GigaFiber	
Place of incorporation and principal place of business	India	
Proportion of ownership of interests and voting rights held by non-controlling interest	28.35	28.35
Profit /(Loss) allocated to non-controlling interests	187.57	357.67
Accumulated non-controlling interests	15,439.79	13,807.64

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

(₹ in Lakh)		
IMCL and its subsidiaries	As at March 31, 2022	As at March 31, 2021
Financial assets	12,174.28	5,185.58
Non-financial assets	7,039.27	8,193.57
Financial liabilities	10,338.54	5,350.35
Non-financial liabilities	436.80	670.96
Equity attributable to owners of the Company	7,074.36	6,304.72
Non-controlling interests	1,363.85	1,039.06

(₹ in Lakh)		
IMCL and its subsidiaries	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	15,528.32	13,688.90
Expenses	14,497.27	12,441.28
Loss for the year	1,031.05	1,247.62
Tax Expense	197.39	(504.52)
Profit / (Loss) for the year after tax	833.66	1,752.14
Other comprehensive income for the year	2.38	(204.73)
Total comprehensive income for the year	836.04	1,547.41
Loss attributable to owners of the Company	682.56	1,051.42
Profit / (Loss) attributable to the non-controlling interests	151.10	701.72
Loss for the year after tax	833.66	1,753.14

Notes to the consolidated financial statements for the year ended March 31, 2022

	(₹ in Lakh)	
IMCL and its subsidiaries	Year ended March 31, 2022	Year ended March 31, 2021
Other comprehensive income attributable to owners of the Company	2.38	(204.73)
Other comprehensive income attributable to the non-controlling interests		-
Other comprehensive income for the year	2.38	(204.73)
Total comprehensive income attributable to owners of the Company	684.94	847.09
Total comprehensive income attributable to the non-controlling interests	151.10	701.32
Total comprehensive income for the year	836.04	1,548.40
Dividends paid to non-controlling interests	100.00	149.88
Net cash inflow / (outflow) from operating activities	1,097.05	309.37
Net cash inflow / (outflow) from investing activities	(6,993.21)	(316.07)
Net cash inflow / (outflow) from financing activities	6,067.60	69.73
Net cash inflow / (outflow)	171.44	63.03

54 Dues to Micro, Small and Medium enterprises

Micro, Small and Medium enterprises have been identified on the basis of the information to the extent provided by the suppliers. Total outstanding dues of Micro, Small and Medium enterprises as on March 31, 2022 which are outstanding for more than the stipulated period are given below.

	(₹ in Lakh)	
Particulars	March 31, 2022	March 31, 2021
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year.		
Principal amount due to micro and small enterprise	141.41	74.23
Interest due on above	4.35	6.77
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	11.12	6.77
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Notes to the consolidated financial
statements for the year ended March 31, 2022

55 Additional information pursuant to paragraph 2 of Division II - Schedule III to the Companies Act 2013 - " Part II - General instructions for the preparation of the consolidated financial statements"

Name of the entities in the Group	Net Assets , i.e. Total Assets minus total liabilities		Share in Profit or loss		Share in Other comprehensive income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other comprehensive income	Amount	As % of Total comprehensive income	Amount
March 31, 2022								
Parent								
NxtDigital Limited	93%	46,892.21	-2176%	(4,145.76)	94%	(69.71)	-3628%	(4,215.47)
Subsidiary								
Indian								
Indusind Media & Communications Limited	17%	8,438.20	339%	646.50	-3%	1.97	558%	648.47
OneOTT Interentainment Limited	90%	45,033.61	1689%	3,217.09	7%	(4.98)	2764%	3,212.11
Consolidation adjustment	-130%	(65,563.45)	-518%	(987.37)	0%	-	-850%	(987.37)
Non controlling interest in all subsidiaries	31%	15,439.79	766%	1,460.03	2%	(1.56)	1255%	1,458.47
Total	100%	50,240.36	100%	190.49	100%	(74.28)	100%	116.21
March 31, 2021								
Parent								
NXTDIGITAL LIMITED	106%	23,319.45	378%	(5,250.15)	346%	146.01	379%	(5,104.14)
Subsidiary								
Indian								
Indusind Media & Communications Limited	33%	7,343.78	-98%	1,358.63	-376%	(158.77)	-89%	1,199.86
OneOTT Interentainment Limited	184%	40,550.64	-206%	2,859.79	171%	72.35	-218%	2,932.14
Consolidation adjustment	-285%	(62,944.06)	329%	(4,576.86)		69.09		
Non controlling interest in all subsidiaries	63%	13,807.64	-303%	4,218.42	-205%	(86.42)	-307%	4,132.00
Total	100%	22,077.45	100%	(1,390.17)	100%	42.25	100%	(1,347.92)

Notes to the consolidated financial statements for the year ended March 31, 2022

56 Disaggregate Revenue

The Group has disaggregated the revenue from contracts with customers on the basis of nature of services. The Group believes that the disaggregation of revenue on the basis of nature of services has no impact on the nature, amount, timing and uncertainty of revenue and cash flows.

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

(₹ in Lakh)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Subscription revenue		
Contracted price	51,654.06	55,487.82
Add: Allocation of transaction price from bundled contracts	-	-
Add: Deferred and unbilled revenue adjustments	236.14	294.68
Discounts to LCO's / incentive / refund	(633.49)	(524.68)
Revenues recognised as per the statement of profit and loss	51,256.71	55,257.82

(₹ in Lakh)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Installation revenue		
Contracted price	748.02	1,851.75
Less: Allocation of transaction price to subscription revenue for bundled contracts	-	-
Add: Adjustment for deferral for installation revenue	1,313.63	4,286.25
Revenues recognised as per the statement of profit and loss	2,061.66	6,137.99

(₹ in Lakh)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Channel placement fees		
Contracted price	10,043.99	7,623.39
Add: Adjustment for deferral for channel placement revenue revenue	(101.25)	(67.38)
Revenues recognised as per the statement of profit and loss	9,942.74	7,556.01

(₹ in Lakh)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Subscription - internet service		
Contracted price	25,414.94	15,967.66
Add: Allocation of transaction price from bundled contracts	-	-
Less / Add: Deferred and unbilled revenue adjustments	(2,073.27)	(1,569.84)
Discounts to LCO's	-	-
Revenues recognised as per the statement of profit and loss	23,341.67	14,397.82

Notes to the consolidated financial statements for the year ended March 31, 2022

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Contract Asset		
Opening balance	1,360.78	534.00
Less: Invoices issued in the current year that was included in contract assets in the beginning of the year	(1,360.78)	(534.00)
Add: Revenue recognised in the current year for which no invoice is raised in the current year	1,344.73	1,360.78
Closing balance	1,344.73	1,360.78
Contract Liabilities (Advance billing)		
Opening balance	4,894.42	9,408.51
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(4,050.87)	(7,712.17)
Add: invoices raised for which no revenue is recognised during the year	3,616.98	3,198.08
Closing balance	4,460.53	4,894.42
Contract Liabilities (Advance from customer)		
Opening balance	1,042.52	1061.33
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(1,042.52)	(1,061.33)
Add: invoices raised for which no revenue is recognised during the year	900.09	1,042.52
Closing balance	900.09	1,042.52

The Group receives payments from customers based upon contractual billing schedules.

Accounts receivable are recorded when the right to consideration becomes unconditional.

Contract assets includes amounts related to our contractual right to consideration for completed performance objectives not yet invoiced and deferred contract acquisition costs, which are amortized along with the associated revenue.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract.

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers	86,602.78	83,349.64
Add: Discounts, rebates, refunds, credits, price concessions	633.49	524.68
Less / Add: Deferred and unbilled revenue adjustments	624.74	(2,943.70)
Contracted price with the customers	87,861.02	80,930.63

Notes to the consolidated financial statements for the year ended March 31, 2022

57 Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

(₹ in Lakh)

Secured Loans	As at March 31, 2022				As at March 31, 2021			
	Particulars	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment	Non-current	Current	Interest Rate p.a.
Secured Loans								
From Bank								
TL – 1	13,333.77	2,647.34	Between 8.50 to 8.55%	Repayable between April 2018 to July 2025	15,933.16	2,134.40	8.45 to 9.90%	Repayable between April 2018 to July 2025
TL – 2	109.99	294.66	10.75% to 11.75%	Repayable between April 2021 to April 2023	7,247.18	3,687.16	10.75% to 11.75%	Repayable between April 2021 to April 2023
TL – 3	-	2,000.00	11.20%	Repayable in Apr-22. (Working capital demand loans)	-	2,000.00	9.82% to 11.00%	Repayable in September 2021 (Working capital demand loans)
Buyer's Credit		-	-			628.74	0.10	Repayable in April 2021
From Non-Banking Financial Institutions								
TL – 4	15.36	443.38	-	Repayable quarterly up to January 2028	458.74	261.42	-	Repayable quarterly up to January 2028
TL – 5	-	37.65	-	-	18.97	51.15	-	-
Total	13,459.12	5,423.03			23,658.05	8,762.87		
Unsecured Loans								
Inter Corporate Deposit	-	71,689.34	7.95% to 12.00%	Repayable on demand	-	64,046.52	7.95% to 12.00%	Repayable on demand
Total	-	71,689.34			-	64,046.52		

* Put / call Option at every 365 days interval from initial disbursement date.

Notes:

- TL-1- The Loan is repayable in 7 years in 28 quarterly instalments, for each tranche of disbursement. First repayment will commence from 4th month of the date of each tranche of disbursement. Interest rate 6 months MCLR and Yes Bank Limited shall reset the 6 months MCLR on 1st day of the month falling after six calendar months including the month in which drawdown has been made. First Charge on all current and movable assets (both present and future) and Escrow Account for collection of proceeds of lease rentals to be created in favour of Vistra ITCL India Ltd. During the year, the Holding company has made prepayment of ₹ 7,763.29 lakhs over and above the payments of regular instalments.
- TL-2 - Repayable in 24 Quarterly unequal instalments starting from January 2017 after an initial moratorium of 2 years. Interest rate 6 months MCLR plus spread of 2.35%. Interest ranging from 10.35% between April - 2021 to March 2022 with an exclusive charge on all Hits related Fixed assets.
- TL-3 are secured by *pari passu* hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.
- TL-4 - Pertains to sales and lease back transaction conducted in the year ended 31st March 2020 which is payable in 32 unequal installments starting from April 2020, as per the operating lease agreement entered.

Notes to the consolidated financial statements for the year ended March 31, 2022

58 Change in estimate

- a) The Holding Company's business was evolving post implementation of New Tariff Order (NTO) notified by the Telecom Regulatory Authority of India (TRAI) effective from February 1, 2019. Owing to the foregoing the customer churn period pattern too underwent a change, accordingly with effect from 1st April 2021, the Holding Company has recognized the installation fees immediately on the provision of service and continued to recognize the installation fees over two years for those installations done in the previous year (For the year ended March 31, 2021 : from three years to two years). The effect of this change has resulted in recognition of additional installation revenue amounting to ₹ 840.71 lakhs (March 31, 2021: ₹ 1,487.56) lakhs during the year.
- b) Based on empirical data available and on the basis of valuation report from an independent valuer the Group has reassessed and arrived at the economic useful life of a Intangible Asset viz., Movie Rights to be 50 years from the beginning of the previous financial year. This change in estimate has resulted in lower depreciation charge by ₹ 662.14 lakhs on the consolidated financial results for the year ended March 31, 2021.

- 59 In the last quarter of the financial year, COVID-19 was declared a global pandemic and the Government of India announced a country wide lockdown which still continues across large swathes of the country with some variations. In this nation-wide lock-down, the company has continued to operate and provide its services to its customers, which has been declared as an essential service, without much disruption. The Group has evaluated the carrying value of the assets, recoverability of trade receivable and liquidity position and have concluded that no material adjustments required at this stage in the financial result.

60 Dividend remitted in foreign currency

Particulars	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amount remitted (₹ in Lakh)	175.64	220.89
Dividend related to financial year	2020-21	2019-20
Number of non-resident shareholders	17	17
Number of shares	5,560,839	5,633,661

61 Changes in liability arising from financial activities

	(₹ in Lakh)			
	As at March 31, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Borrowings	96,467.44	(5,895.95)	-	90,571.49
Other financial liabilities	18,048.57	(10,080.64)	-	7,967.93

	(₹ in Lakh)			
	As at March 31, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
Borrowings	90,402.25	(13,869.37)	19,934.56	96,467.44
Other financial liabilities	25,837.29	(834.27)	(6,954.45)	18,048.57

- 62 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

- 63 The Group has entered into an agreement on 27th January 2020 with a new service provider, Intelsat Global Sales & Marketing Limited for transponder service. The same has been accounted for in the previous year as per Ind AS 116 and accordingly recognised right to use of asset amounting to ₹ 10,885 lakhs. The related depreciation and finance cost was charged to Statement of Profit and Loss.

Notes to the consolidated financial statements for the year ended March 31, 2022

64 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Holding and its subsidiaries does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Holding Company and its subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iii) The Holding Company and its subsidiaries has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Holding Company and its subsidiaries has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Holding Company and its subsidiaries does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium :
- (I) The Holding Company and its subsidiaries has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiaries (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (II) The Holding Company and its subsidiaries has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and its subsidiaries shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- 65** (a) The Consolidated Financial Statements are approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on May 18, 2022.
- (b) The Board of Directors at its meeting held on 18th May, 2022 have recommended a dividend of ₹ 4 /- per share (on par value of ₹ 10.00/- each per equity share) for the year ended March 31, 2022, to be approved by the Shareholders in the ensuing Annual General Meeting of the Holding Company.
- 66** Previous years figures are re-grouped, re-classified and re-arranged, wherever considered necessary to confirm to current year's presentation

In terms of our report attached

For and on behalf of the Board of Directors of
NXTDIGITAL LIMITED
CIN : L51900MH1985PLC036896

For Haribhakti & Co. LLP
Chartered Accountants
Firm's Registration No. 103523W / W100048

Vynsley Fernandes
Managing Director & Chief Executive Officer
DIN 02987818

Anil Harish
Director
DIN 00001685

Snehal Shah
Partner
Membership No. 048539

Amar Chintopanth
Whole Time Director & Chief Financial Officer
DIN 00048789

Ashish Pandey
Company Secretary
FCS No. 6078

Place : Mumbai
Date : May 18, 2022

Place : Mumbai
Date : May 18, 2022

NXTDIGITAL LEADERSHIP TEAM



**THE NEXT PHASE OF DIGITAL
EMPOWERMENT BEGINS WITH NXTDIGITAL**



(CIN: L51900MH1985PLC036896)

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